

# Measuring the cost of crime

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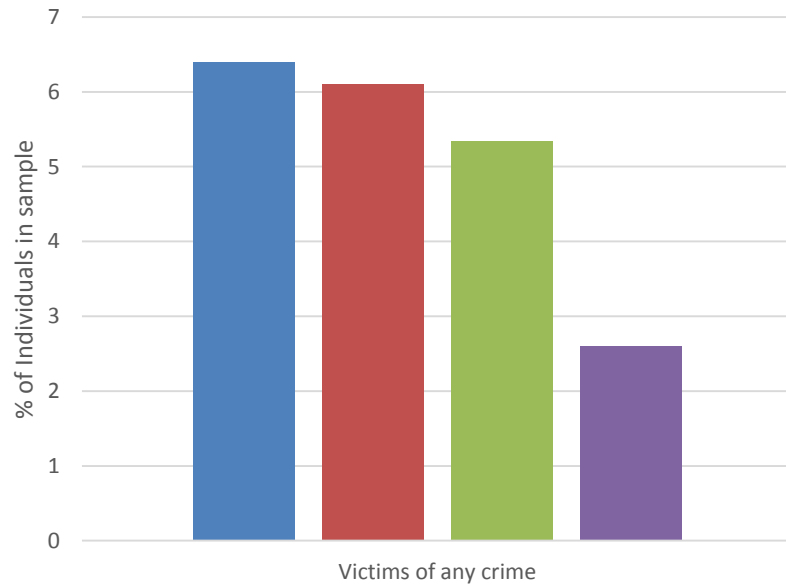
# Problems with measuring the impact of crime

1. Criminals try not to get caught
2. Not all crime is reported
3. Crime is subjective
  - People don't agree on the relative impact of crimes



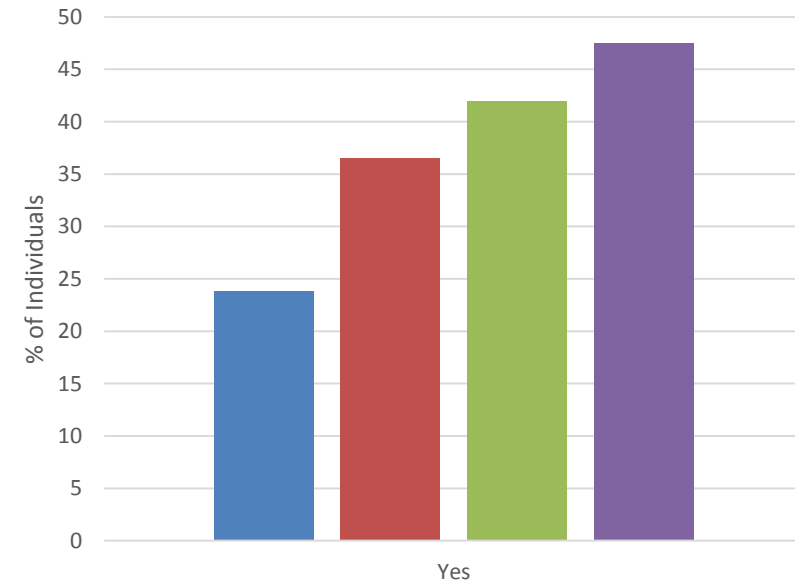
# Perception vs. Reality

## Experienced Crime



■ Between 18 & 24 years of age ■ Between 25 & 44 years of age  
■ Between 45 & 64 years of age ■ Over 65 years of age

## Worry About Crime



■ Between 18 & 24 years of age ■ Between 25 & 44 years of age  
■ Between 45 & 64 years of age ■ Over 65 years of age



Irish Government Economic & Evaluation Service

# Factors influencing the impact of crime

- Number of crimes
- The harm caused by these crimes
- Severity of these crimes



# Recorded Crime

- Based on crimes reported to the Gardaí and detected by Gardaí
- Misses unreported crime
- Weights all crimes equally



# Crime Severity Indices

- Applies weights to recorded crime
  - Administrative Data: Weights crimes by average prison sentence and likelihood of prison sentence
    - Statistics Canada, proposed CSO Irish Recorded Crime Index
  - Legal Guidelines: Sentencing guidelines
    - Cambridge Crime Harm Index



# What is the cost of crime?

- Crime poses a significant cost to individuals, business, government and society in general.
- Some of the obvious costs come from dealing with offenders - maintaining the criminal justice system, the police service, the courts and prosecution service, prisons and probation agencies.
- But there are many additional costs from crime that are less obvious. In physical terms, items stolen or damaged by crime need to be replaced or owners compensated.
- What is less easy to quantify, are the costs to individuals, physical and psychological, arising from being the victims of crime. These costs include the inherent consequences to individuals of being the victim of crime.
- Measures taken to avoid crime. Every euro spent in the prevention of crime or redressing the consequences of a crime is a euro taken away from other uses.



# Characteristics of the costs of crime

- It's expensive
  - The Budget for the Department of Justice and Equality and Criminal Justice Organisations is a significant cost to the exchequer
  - On top of this there is the cost of stolen goods, damaged property and other direct costs of crime.
- The cost falls across society
  - Additional strain on the health system, higher taxes and increased security spending impact across society
- The cost is not just financial
  - Pain and suffering, time off work and fear of crime are all real costs to those that suffer them.





# Why estimate the cost of crime?

- Evaluation of programmes is an important tool for effective management and governance.
- Cost of crime estimates can be combined with robust quantitative evaluation practices
- A cost of crime model allows us to dig deeper and ask:
  - Is it worth it?
  - What should we do?



# How do we estimate the cost of crime?

## Incidence – How much crime is there?

- Reported Crime?
  - Excludes crimes not reported to the Gardaí
- QNHS Crime and Victimization module?
  - Difficult to compare between years when it isn't carried out.
- Derive a multiplier by comparing the recorded crime statistics and the QNHS which can be applied to the recorded crime figures in later years

## Unit Cost – How much does each crime cost?

- Cost of all crime – including unreported crime
- Consists of three types of cost:
- Anticipation of Crime
  - Defensive expenditure, Insurance administration
- Consequences of Crime
  - Stolen goods, pain, injury and suffering etc.
- Response to Crime
  - The Criminal Justice costs such as the Gardaí and the courts



# Data Sources

Cost Type	Data Source
Incidence Estimates	CSO QNHS Crime and Victimization Module 2011, ISME Crime Survey 2014
Defensive Expenditure	CSO QNHS Crime and Victimization Module 2011, ISME Crime Survey 2014
Insurance Administration	Central Bank of Ireland Insurance Statistics
Emotional and Physical Cost, Lost Output, Health Services	Department of Transport Common Appraisal Framework
Direct Costs	CSO QNHS Crime and Victimization Module 2011
Victim Costs	Commission for Victims of Crime Annual Report 2014, Benefacts.ie
Criminal Justice Costs	Department of Justice and Equality Annual Report 2014



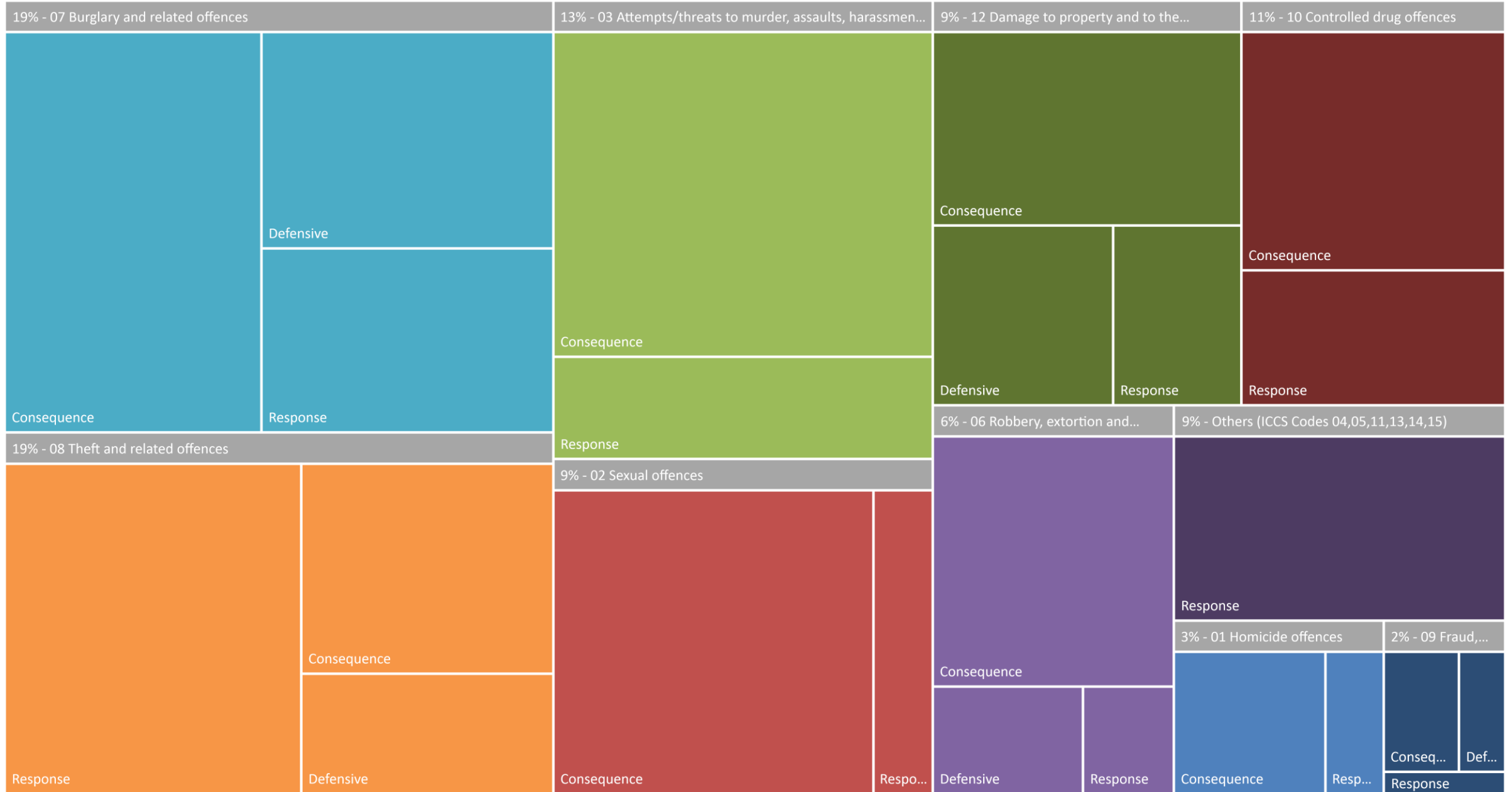
# International Comparisons

- Similar process used in a number of jurisdictions

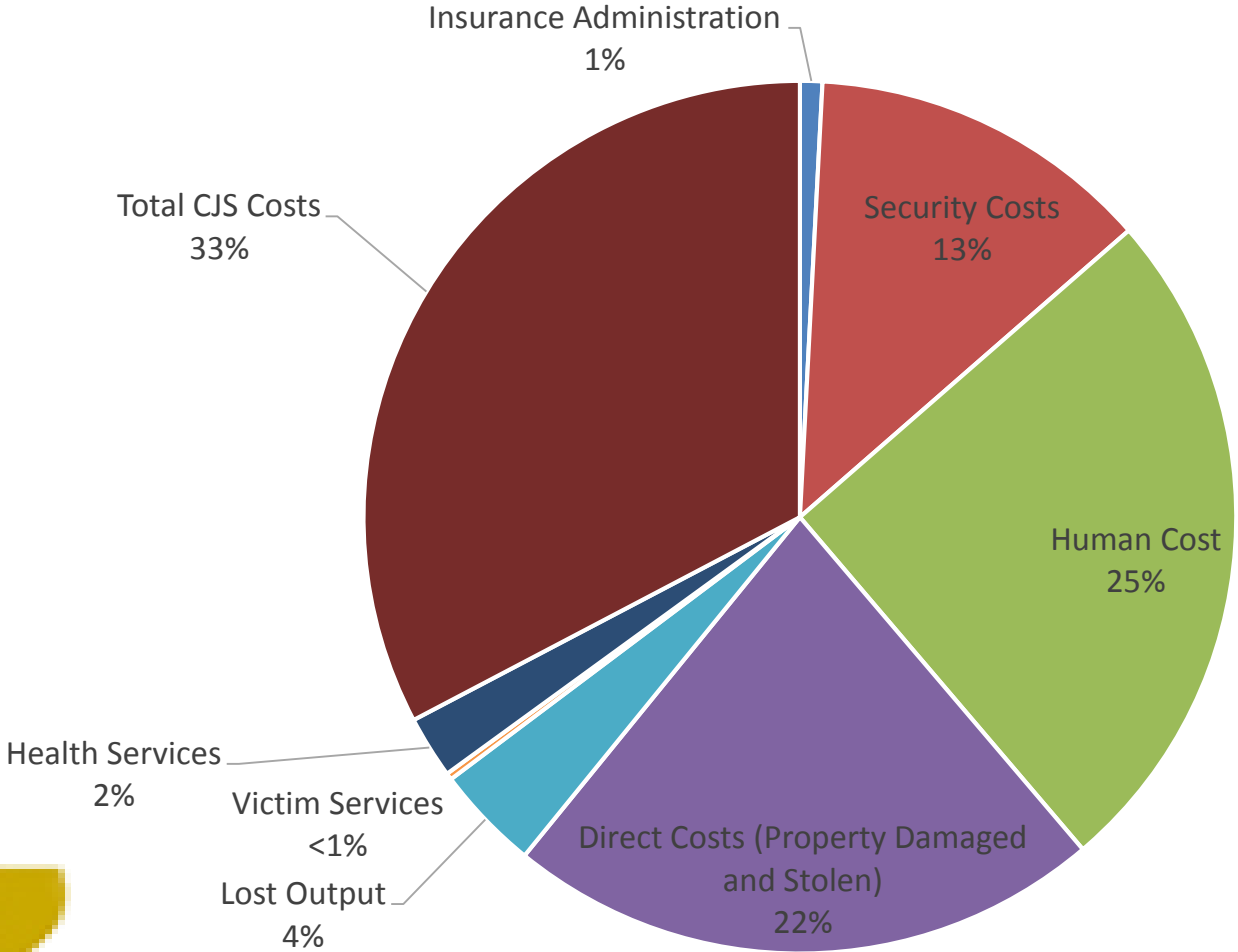
Jurisdiction	Cost of Crime (Local Currency)
England and Wales (1999/2000)	£59.9 billion
New Zealand (2003/2004)	\$9.1 billion
Northern Ireland (2010)	£2.9 billion



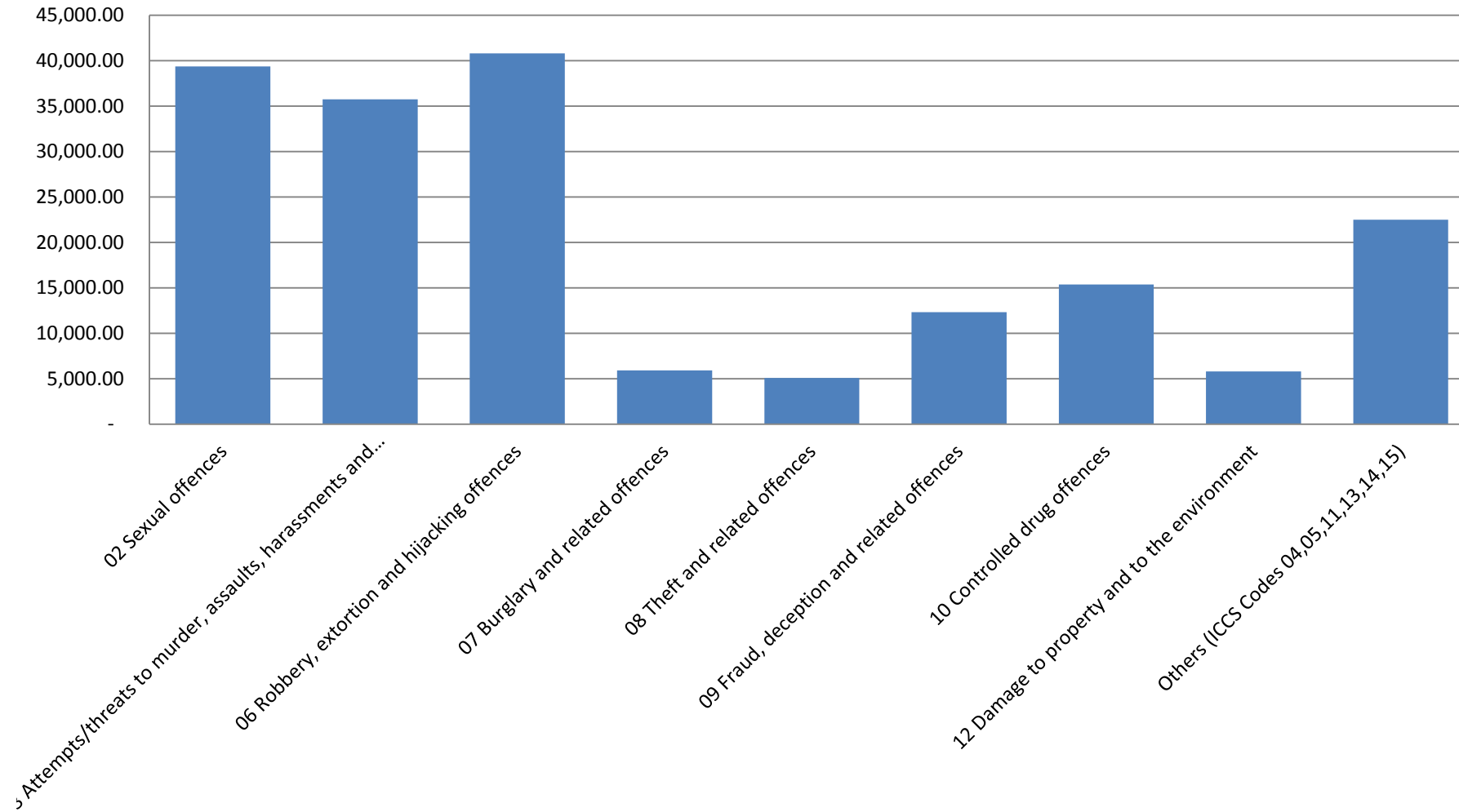
# Total Cost of Crime - €7.6 billion



# Where the costs fall



## Unit Cost of Crime (Homicide – €2,895,000)



# Conclusions

- Significant cost
- Main costs are consequences of crime
- Not exhaustive – other costs we have not included
- Useful for evaluation with careful application
- Useful tool but requires effective communication of the limits to policy makers
- Further iterations to be developed

