

New
Philanthropy
Capital

Unlocking value

October 2011
Hanna Johnson
Sarah Keen
David Pritchard

The economic benefit of the arts in criminal justice



Unlocking value

The economic benefit of the arts in criminal justice



This report has been commissioned by the Arts Alliance
with funding from Arts Council England



Supported by
**ARTS COUNCIL
ENGLAND**

Cover photo supplied by Dance United

Forward

*'When all this is over, said number 732
I will be open like a poem, tread forward
wide eyed, collecting smooth
pebbles to sit in clay bowls...'*

So begins the poem that won this year's Platinum Koestler Award for Poetry, written by a prisoner at HMP Usk. You may think that starting a report on the economic value of the arts with a poem conforms to a stereotype about artists preferring poetry to numbers. But the stunning sequence of images in the few lines above encapsulates the journey that many offenders make through the arts. They start out as a number—their prison number, perhaps, or just another crime statistic: they are closed and without control. The arts open up their understanding of themselves and of the world around them. The offenders then start to make progress, gaining structure, knowledge and skills that will have practical application in their future lives—tangible benefits acquired to meet real needs, like pebbles collected to fit in specific bowls.

Those of us who work with offenders have much to learn from listening to offenders themselves. The process invoked by this poem could equally refer to the progress we need to make in criminal justice practice as a whole. With a spiralling prison population, shocking rates of re-offending, and steeply declining budgets, we urgently need to find new ways forward. Where should we be putting our scarce resources if we are really to tackle these challenges? We need to be open-minded in exploring the range of options, and robust in collecting the pebbles of solid evidence.

This is just the approach taken by New Philanthropy Capital in this report. The research was commissioned by the Arts Alliance—the national coalition of arts organisations that work in criminal justice. The three charities that form the case studies are all Arts Alliance members. Analysis of economic impact might seem a strange choice for evaluating such apparently non-numerical subjects as drama, music or creative writing. But the findings powerfully refute the stereotype of the arts as fluffy or cerebral. They demonstrate what those of us in this field already see—that the arts demand hard work, technical skill and collaboration, precisely the behaviours that offenders need in order to rehabilitate.

This evidence will be invaluable to the Arts Alliance in making the case for arts in criminal justice, and to commissioners, funders and policymakers in assessing that case. What emerges is not just that the arts help reduce re-offending, but that, in doing so, the arts also save substantial amounts of money.

The following pages may be in prose, but, like a poem, they open up possibilities. They will, I believe, help all of us who care about justice to tread forward wide-eyed.

Tim Robertson

Chief Executive, Koestler Trust
Chair of the Arts Alliance

Executive summary

The arts have long been used to help rehabilitate offenders or improve the life chances of those at risk of getting involved in crime. There is plenty of anecdotal evidence to support the transformative power of the arts, and yet arts charities have traditionally struggled to provide hard evidence of their effectiveness, particularly in achieving criminal justice system targets.

In the current funding environment, arts charities in the criminal justice sector are under increasing pressure to provide evidence of their impact on re-offending. Re-offending costs the government between £9.5bn and £13bn a year, with two in five adults being convicted again within a year of release. Following cuts to its budget, last year the Ministry of Justice announced plans for using payment-by-results more widely to reduce these costs.

In late 2010, the Arts Alliance commissioned NPC to explore whether the value of the arts in criminal justice could be shown through economic analysis. To do this, we selected three arts charities that work with different groups of offenders. The three projects that we look at provide savings to the public purse as well as improve the life chances of the people helped.

Clean Break

Clean Break is a theatre company for women who have offended or are at risk of offending. Its activities include commissioning new writing, putting on theatre productions, running an education programme and campaigning on behalf of women prisoners and ex-offenders. Our analysis focuses on its education programme, which aims to provide women with the skills, qualifications and confidence to lead crime-free lives.

We estimate that for every £1 invested in the programme, £4.57 of value is created for society over one year. A large proportion of this comes from savings to the criminal justice system through reduced reoffending rather than from the benefit of employment and qualifications to the women involved.

Only Connect

Only Connect is an arts charity that supports prisoners and ex-offenders to create arts projects, belong to a community, and educate young people at risk of getting involved crime. It aims to help them transform their lives and the lives of the next generation. We focus on its work with participants who have been released from prison.

We estimate that Only Connect more than halves re-offending, from an estimated 57.5% without the charity to 25.9% with the charity. This generates savings of over £3.2m to the criminal justice system over six years. Put another way, for every £1 invested, Only Connect saves the criminal justice system £3.06 over six years.

Unitas

Unitas uses creative activities to help disadvantaged young people get back into education, employment or training. We focus on its Summer Arts Colleges—intensive education projects for young people at high risk of offending. Using arts-based activities, they aim to reduce offending, improve literacy and numeracy skills and get more young people back into mainstream education, employment and training.

We estimate that Unitas prevents 322 young people from committing 139 offences during the programme and in the following months. Forty six young people improve their literacy skills and forty two improve their numeracy skills as a result of the programme. For every £1 invested, Summer Arts Colleges create £5.89 of value to society over young people's working lives. This is mostly due to the longer-term benefit of improved literacy and numeracy skills for the young people involved, rather than shorter-term savings to the criminal justice system through reduced offending.

For all these findings to be more conclusive, there needs to be better impact measurement. Economic analysis can be a powerful tool for valuing the arts in criminal justice, but charities, funders and the government need to prioritise better data collection and access so that the effectiveness of the arts in criminal justice is better understood.

Recommendations

Charities should first clarify the change that they want to make and start collecting data to provide solid evidence of impact. Charities that have already started to measure their impact should check whether this evidence allows them to understand and communicate the difference that they make as well as possible.

To do an economic analysis, charities need to collect high-quality data on outcomes and costs. Ideally, they also need a robust estimate of what would have happened without them. Even then, for charities that mainly have an effect on soft outcomes and are several steps removed from directly influencing re-offending, economic analysis is unlikely to be an appropriate tool.

Funders should support arts charities in the criminal justice sector by funding promising interventions and funding proper monitoring and evaluation of these approaches. Government also has a role to play in helping charities by providing better access to criminal justice research and data.

Challenges and opportunities to measurement

These case studies provide us with ways of better understanding the opportunities and challenges of economic analysis for arts charities in the criminal justice sector. The limitations of the analysis—the most significant being the absence of a robust estimate of what would have happened with the charity—mean that the returns on investment given here should not be compared or used as conclusive evidence of the charities' impact.

Contents

Introduction	5
About this report	5
Research process	6
Structure	6
About the Arts Alliance	7
Technical notes	7
1 Background	9
Using the arts in criminal justice	9
How the arts help	9
A lack of evidence	10
The opportunity for measurement	11
2 Clean Break	13
Overview of the project	13
About this analysis	14
Findings	15
Key assumptions	20
Sensitivity analysis	20
3 Only Connect	23
Overview of the project	23
About this analysis	24
Findings	24
Key assumptions	27
Sensitivity analysis	27
4 Unitas Summer Arts Colleges	29
Overview of the project	29
About this analysis	30
Findings	30
Key assumptions	35
Sensitivity analysis	35
5 Recommendations	37
Recommendations for charities	37
Recommendation for funders	38
Recommendations for government	39
Appendices A – E	41-48

Introduction

The cost of crime in the UK is high—re-offending alone costs the government between £9.5bn and £13bn each year.¹ According to the latest figures from the Ministry of Justice, two fifths of adult offenders will be reconvicted within one year of release, and three quarters will be reconvicted within nine years.^{2,3}

The arts could be part of the solution to this costly social problem. Anyone who has participated in the arts knows that they are not a soft option. Playing a musical instrument, painting a picture and performing in a play may be enjoyable activities, but they also demand discipline, technical skill and even teamwork. The arts—whether of the visual, performing or literary variety—foster skills that can help offenders to integrate back into society.

In late 2010, the Arts Alliance commissioned NPC to explore whether the value of the arts in criminal justice could be expressed through economic analysis. To do this, we selected three arts charities as case studies and undertook economic analyses of their interventions. We chose charities that have good outcomes data and work with different groups of offenders:

- Clean Break, which works with women.
- Only Connect, which works with men; and
- Unitas, which works with young people.

This report quantifies the costs and estimated benefits of Clean Break, Only Connect and Unitas. We make recommendations about economic analysis to charities, funders and the government based on our experience of undertaking these analyses.

About this report

This report was commissioned by the Arts Alliance to explore one particular approach to valuing the arts in criminal justice. We acknowledge that this is not the only approach to valuing the arts. Yet in the current funding environment, arts charities and funders are increasingly interested in assessing the cost effectiveness of interventions. Of particular relevance, the Ministry of Justice last year announced plans for using payment-by-results contracts more widely in the criminal justice sector.⁴

Economic analysis can be a powerful tool for understanding and communicating impact. Yet it is also a data-intensive exercise that requires charities to undertake high-quality monitoring and evaluation, requires funders to support charities in this, and requires the government to provide access to research and data to facilitate more accurate, consistent analyses.

By using three charities as case studies, we do not aim to provide three evaluations. Rather, the case studies are exploratory analyses that help us to better understand the opportunities and challenges of economic analysis for arts charities in the criminal justice sector. Our analytical approach is suitable for our purpose of exploring the challenges and opportunities of economic analysis, but we caution against using the returns on investment as conclusive evidence of the charities' impact. Moreover, because of the limitations of the analysis (discussed in Section 1), we adopted different methods for each analysis, so the returns on investment should not be compared.

We mitigated the limitations of the analysis by restricting the scope of the analyses to outcomes for which the charities had good data; using conservative estimates where available; and conducting sensitivity analyses on the assumptions that we could test. We are transparent about the data, assumptions and calculations that make up our analysis. Transparency is important if charities, funders and the government are to address the challenges to economic analysis identified here and get better at understanding what works.

¹ National Audit Office (2010) *Managing offenders on short custodial sentences. In 2007/2008 prices.*

² Ministry of Justice (2011) *Reoffending of adults: results from the 2009 cohort.*

³ Ministry of Justice (2010) *Compendium of re-offending statistics and analysis.*

⁴ Ministry of Justice (2010) *Breaking the Cycle: Effective Punishment, Rehabilitation and Sentencing of Offenders.*

Research process

We began our research in December 2010 by conducting a literature review. We then asked for recommendations and submissions from the Arts Alliance to identify three charities as case studies. Our primary requirement for selection was that the organisations collect outcomes data that could be used in economic analysis. We met with each of the three charities to get an overview of its activities, outcomes and data collection, working together to define the scope of the analysis and gather the necessary data.

We then developed economic models using the charities' data and secondary data, primarily from government sources. Finally, we spoke to individuals who have participated in Clean Break and Only Connect to hear in their own words how the charities supported them. These case studies are for illustration rather than evaluation and are not necessarily representative of all participants. Because of the vulnerability of young people who participate, we did not speak to individuals who have participated in Unitas.

Structure

This report is aimed at economists and non-economists alike. For the non-economists, we separate out the main findings of the economic analysis from more technical explanation of how we arrived at the final figures. We present key calculations clearly in the main text but leave the more complicated calculations to the appendices. Any calculations included in the appendix are denoted by references in square brackets [X]. For the economists, key assumptions and sensitivity analyses are included after the main findings of the case studies.

Economic benefits can accrue either to the government through reduced public service costs or to the individual through increased income, for example. In this report, total economic benefit is the sum of benefits to the government and to the individual.

Section 1 provides the background to the arts in criminal justice, particularly the evidence for using the arts to reduce offending. While acknowledging the challenges of measuring the impact of arts interventions, we discuss the limitations to the analysis.

Section 2 sets out our cost-benefit analysis of Clean Break, a theatre company for women who have offended or are at risk of offending. Its activities include commissioning new writing, putting on theatre productions, running an education programme and campaigning on behalf of women prisoners and ex-offenders. Our analysis focuses on its education programme, which aims to provide women with the skills, qualifications and confidence to lead crime-free lives.

Section 3 sets out our cost-benefit analysis of Only Connect, an arts charity that supports prisoners and ex-offenders to create arts projects, belong to a community, and educate young people at risk of getting involved crime. It aims to help them transform their lives and the lives of the next generation. We focus on its work with participants who have been released from prison.

Section 4 sets out our cost-benefit analysis of the Summer Arts College run by Unitas. Summer Arts Colleges are intensive education projects for young people at high risk of offending. Using arts-based activities, they aim to reduce offending, improve literacy and numeracy skills and get more young people back into mainstream education, employment and training.

Section 5 presents our conclusions and recommendations to charities, funders and the government.

About the Arts Alliance

This report was commissioned by the Arts Alliance, which is the national body for the promotion of the arts in the criminal justice sector. Jointly funded by the Ministry of Justice and the Monument Trust, it represents a growing network of arts practitioners and organisations working in prisons and the community to support men, women and young people to lead crime-free lives. The Arts Alliance received funding from Arts Council England to commission this report.

Technical notes

- All calculations use 2009/2010 prices.
- All future costs and benefits are discounted at 3.5% per year.¹
- Future earnings are assumed to increase at 3% above inflation a year.²
- Some totals may appear incorrect due to rounding. More detailed calculations are available on request.



Photograph supplied by Only Connect

¹ HM Treasury (2003) *The Green Book: Appraisal and Evaluation in Central Government*.

² Office for Budget Responsibility (2011) *Economic and fiscal outlook, March 2011*.



Photograph supplied by Dance United

1. Background

Using the arts in criminal justice

The arts have long been used to help rehabilitate offenders or improve the chances of those at risk of offending. Projects are run both in prisons and in the community and encompass all art forms, including:

- visual arts, such as drawing, painting and sculpture;
- performing arts, such as music, dance and theatre; and
- literary arts, such as writing.

Some projects are intensive and run over a short period of time. For instance, Music in Prisons runs week-long courses culminating in a musical performance of songs composed during the project. Other projects are less intensive but run for longer. For instance, the Writers in Prison Network puts writers and creative artists into prisons to deliver an artistic programme over the course of an entire year.

Performing arts are the most commonly used art forms when working with offenders.¹ This is reflected in the case studies that we have selected, all of which use performing arts.

How the arts help

The arts can accompany and encourage people on a personal journey from being an offender to being a responsible, contributing member of society. They offer practical, professional and often innovative ways for people to develop in ways they had perhaps not expected, or even in ways they had thought were impossible. By doing this, the arts have the power to change individuals and to show them a new future. They accomplish this by engaging people, helping them to develop new skills and responsibility and helping them to improve relationships.¹

Engagement

Arts interventions can engage with people who are difficult to reach through traditional, often classroom-based, interventions. The arts provide offenders with accessible ways to achieve concrete goals, often for the very first time.

New skills

Arts projects offer not only new artistic skills, but also new ways to learn key social and life skills. Anybody who has tried to play an instrument in a band, perform in a play or learn a dance will know that the process demands concentration, discipline and teamwork. Professional artists can also help their students with self-esteem, listening, self-awareness, empathy and self-control. Beyond that, learning new skills can become a habit, and completing an arts course can be the gateway to continued educational achievement.

Responsibility

The arts can encourage participants to take responsibility for themselves and others. When you are on stage there is nowhere to hide. It takes hard work, dedication, and a sense of responsibility to produce quality art. Furthermore, even when not actively taking part, people can be encouraged to think through their actions and the consequences of those actions through going to a gallery or watching a play.

Positive relationships

Poor relationships are a risk factor for offending. Developing positive relationships is vital to rehabilitating back into society, and the arts have a track record of helping people do this. Music, poetry and performance all encourage participants to reveal aspects of themselves they would otherwise keep hidden and to examine situations from more than one perspective.

¹ The Arts Alliance (2010) *What really works? Arts with offenders*

A lack of evidence

The most recent and comprehensive UK research on the effectiveness of the arts in criminal justice was completed in 2005 by the Centre for Applied Theatre Research.¹ The resulting report, *Doing the Arts Justice*, concluded that too little high-quality evaluation exists for arts interventions, and that the sector is lacking a solid theory from which to demonstrate its impact.

Six years on, the number and quality of evaluations has increased. As illustrated in Box 1, individual charities' evaluations are contributing to a growing body of evidence. Yet the sector continues to face significant challenges in demonstrating its effectiveness. The conclusion of *Doing the Arts Justice* still applies: the sector has not yet done enough to talk coherently and comprehensively about how arts projects work towards targets in the criminal justice system. Several factors contribute to this.

Firstly, although long established, the delivery of arts projects in the criminal justice sector remains fragmented. Few organisations have the scale required to carry out the thorough and long-term evaluation required to demonstrate fully the value of using arts projects in this context.²

Secondly, gathering good-quality follow-up data on participants is difficult. Charities struggle both to access government data on re-offending and to follow up with participants themselves. Ex-offenders often live chaotic lives and may not be able or willing to stay in touch with an organisation once the programme has finished. It is therefore difficult to link interventions directly with outcomes such as re-offending and understand the lasting impact of interventions.

Thirdly, arts projects tend to focus on achieving 'soft' outcomes, such as increased confidence or self-esteem, rather than 'hard' outcomes, such as re-offending rates or employment. This is not a problem in itself: although soft outcomes are harder to measure, there are established methods and tools that charities can use. However, there is a fundamental disconnect between the work being done by arts organisations and the measures of success within the criminal justice system. While government targets are built around an end—offending—arts organisations tend to focus on means—personal, social and emotional skills. What is often lacking is a clear theory of change and evidence that links one to the other. Without this, arts organisations struggle to demonstrate the value of their impact to policymakers.

Box 1: How the arts can help to rehabilitate offenders

There is a growing body of evidence from individual organisations that indicates how the arts can help to rehabilitate offenders.

Engagement

Good Vibrations uses Gamelan (Indonesian bronze percussion) workshops to help prisoners to develop life and work skills. An evaluation by Birmingham City University found that the workshops act as catalysts for change in the lives of offenders, and this change is sustained as offenders move through the prison system and out into the community.*

New skills

Dance United uses dance to engage young people who have offended and are at risk of offending. Its Academy offers an intensive 12-week programme in which young people are treated as trainee professional dancers. An evaluation by the University of Manchester shows that Academy participants have higher rates of transfer into education, training and employment than their peers and are less likely to re-offend.†

Responsibility

Geese Theatre's Insult to Injury project uses drama to explore anger, aggression and violence. Participants have '*an acknowledged and persistent history of violent offending*'. An evaluation by the University of Birmingham found that anger levels are reduced after participation in the project, and participants report that they are less likely to express anger either physically or verbally.‡

Positive relationships

Safe Ground's Family Man programme uses drama to develop participants' social skills and help participants improve their relationships with family members, peers and staff. Extensively evaluated, one study found the programme particularly encourages personal development through the use of drama-based, interactive ingredients that promote individual insight and reflection. There is also evidence that the course supports prisoners to re-evaluate their attitudes and beliefs, stimulating improved communication, especially with families and children.^

* Wilson, D. et al (2008) *Promoting positive change*. Centre for Applied Criminology, Birmingham City University.

† Miles, A. and Strauss, P. (2008) *The Academy: A report on outcomes for participants*. ESRC Centre for Research on Socio-cultural Change, University of Manchester.

‡ Blacker, J. et al (2008) *A combined drama-based and CBT approach to working with self-reported anger and aggression*. University of Birmingham.

^ McGuire, J. (2009) *Family Man: An outline of the theoretical basis of the programme*. University of Liverpool.

¹ Centre for Applied Theatre Research (2005) *Doing the Arts Justice*.

² Centre for Research of Socio Cultural Change, University of Manchester (2006) *The arts in criminal justice: A study of research feasibility*.

The opportunity for measurement

There are clearly challenges to be overcome in building the evidence base for using the arts in criminal justice. The case studies that follow are three examples of how arts charities are making progress. They demonstrate that charities working in the criminal justice sector can collect outcomes data that allows the costs and benefits of their work to be quantified through economic analysis.

These charities are above average in their measurement. But they, and the sector as whole, can still make improvements. The sector is not yet at a point where comparisons can be made between charities based on their outcomes data. The differences between the three analyses are given in a table in Appendix D. The final numbers of the three analyses cannot be compared to reach conclusions about the relative effectiveness and cost-effectiveness of the programmes for several reasons:

- **Counterfactual estimates:** This is the most significant limitation of the analyses and applies to all three models. The charities' outcomes data suggests a positive impact. But to test the extent to which impact can be attributed to the charity, it is necessary to estimate what would have happened if the charity had not been there. This is known as the counterfactual. Estimating the counterfactual is not easy since, by definition, it cannot be observed.¹ In this research, in the absence of other data, we rely on national averages (adjusted for offender characteristics when possible), before-and-after comparisons, and qualitative evidence about what would have happened otherwise. This introduces uncertainty into our estimates, as we cannot be sure whether we are over or underestimating the counterfactual.
- **Incomplete outcomes data:** Following up with participants can be challenging. In particular, Clean Break followed up with a cohort of women who had graduated from its programme and, despite best efforts, only managed to contact 65% of women. Only Connect's model means that it keeps in touch and therefore had re-offending data on 81% of men. Unitas systematically reports on outcomes and consequently had offending data for 100% of young people and literacy and numeracy data for 95% of young people. Incomplete outcomes data introduces uncertainty into our estimates as we do not know whether the outcomes of participants who cannot be followed up would be better or worse than the outcomes of participants who can be followed up. However, we can, and do, test the worst-case scenario through a sensitivity analysis.
- **Outcomes quantified in the analysis:** We tailored each economic analysis to the charity's aims and activities as well its current outcomes data collection. This meant that we had to exclude some potential outcomes from our models if the charity was not collecting data on the outcome. Assuming these impacts are positive, then the economic analyses underestimate the value created by these charities. In particular, we may be underestimating the value of Only Connect by not including employment outcomes and the value of Clean Break by not including the additional savings of preventing women from re-offending (for example, preventing their children being taken into local authority care). Also, the Unitas analysis values reduction in offending during the programme, whereas the other two analyses do not.
- **Projection of future benefits:** The economic analyses of Clean Break and Unitas include predictions of future benefits. Making predictions introduces uncertainty into the estimates—for example, we estimate the long-term value of young people having improved literacy and numeracy after participating in Unitas. However, it could be that these gains actually fade away shortly after the programme. The analysis of Only Connect is different because it does not include predictions of future benefits. In that respect it is the most conservative.
- **Determining appropriate economic values:** Even though we limited the analyses to outcomes that can be appropriately given an economic value, determining what that value should be is not always straightforward. Publicly available economic values, such as the costs of crime or the economic benefits of education, are typically averages that have a high degree of variation. We use the best estimate for different outcomes, but even this introduces some inconsistency. For example, we use the 2002 Social Exclusion Unit report's cost of an offence for Clean Break and Only Connect, which includes costs to the criminal justice system, but for Unitas, we use the 2005 Home Office cost of crime estimates, which includes costs to potential and actual victims, other government departments (such as the health system) and offenders as well as the criminal justice system. For comparison, we therefore isolate costs to the criminal justice system in the Unitas analysis.

Section 5 suggests steps that charities, funders and the government can take to address these measurement and evaluation challenges and help build the evidence base about what works.

¹ HM Treasury (2011) *The Magenta Book: Guidance for evaluation*.



Photograph supplied by Clean Break

2. Clean Break

Clean Break is a London-based theatre company for women who have offended or are at risk of offending. This analysis focuses on its education programme, which aims to provide women with the skills, qualifications and confidence to lead crime-free lives.

The economic analysis is based on follow-up data that Clean Break collected for twenty women. We quantify the economic benefit of five women not having re-offended at follow-up who we estimate would have otherwise. We then quantify the economic benefit of two women being employed who we estimate would not be otherwise. More speculatively, we also quantify the longer-term benefit of two women gaining more advanced qualifications after Clean Break.

Although we are not able to quantify the programme's impact on soft outcomes or the additional costs of a woman re-offending, we estimate that Clean Break generates a return on investment of £4.57 over one year. This return is largely due to savings to the criminal justice system through reduced re-offending. This estimate and the calculations that lead to it described below are subject to the limitations described in Section 1.

Overview of the project

Clean Break was set up in 1979 by two women prisoners at HMP Askham Grange who used theatre and new writing to write about and perform plays focussing on women's experiences of the criminal justice system. Clean Break still commissions new writing and puts on theatre productions in theatres and in prisons, runs an education programme and advocates on behalf of women with experience of the criminal justice system.

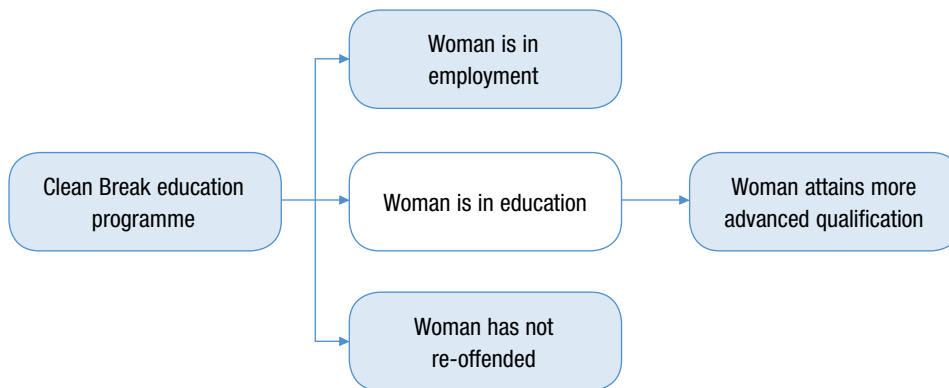
Clean Break's education programme is for women who have offended and women who are at risk of offending because of drug and alcohol use or mental health needs. Women are referred through prison and probation services, other outreach services (for example, drug treatment services) and word of mouth. Much of this education is delivered through its centre in north London.

Every year, around 100 women participate in a variety of courses at Clean Break's London centre. These range from short courses in make-up and costume design to the year-long Access to Theatre course designed for students who are interested in going to university or drama school. Classes are small and are taught by experienced tutors. Students who successfully complete the Access to Theatre course gain a Level 3 qualification.

Clean Break also has a student support team that offers a range of services beginning with an assessment process to identify personal and educational needs. Women can then access one-to-one and peer support as well as specialist services. To overcome practical barriers to learning, the charity contributes towards childcare costs and reimburses lunch and travel fares.

The aim of Clean Break's education programme is not simply for students to enter sustainable employment. This may be an eventual outcome for some, but more immediately the charity wants women to make positive changes to their lives. By inspiring women to develop skills and confidence and supporting them to gain greater stability in their lives, Clean Break believes that it is possible to achieve hard outcomes such as increasing qualifications, increasing education, employment or training, and reducing offending.

Figure 1: Clean Break's outcomes included in the economic model



About this analysis

Clean Break monitors the changes that staff observe in students through beginning- and end-of-programme assessment interviews. The charity also collects data on qualifications attained through the programme and keeps in touch with some former students. Attempts to establish a systematic follow-up programme with women have not been completely successful and so there is not a comprehensive understanding of what has happened in the women's lives since participating in the programme.

For this analysis, we therefore asked Clean Break to follow up with all 31 students who graduated in July 2010. The analysis is based on the outcomes of the 20 women whom Clean Break was able to contact. Further information about this data collection is given in Box 2. It is likely that this sample is self-selecting—that these 20 women are likely to have better outcomes than the 11 who could not be followed up. This is considered further in the sensitivity analysis.

For the economic analysis, we only tried to quantify the economic benefits of hard outcomes. These are:

- not re-offending after Clean Break;
- being in employment after Clean Break; and
- attaining a qualification at a more advanced level after Clean Break.

These outcomes are illustrated in Figure 1. We looked at the first two benefits over one year and the third benefit over ten years. These time periods were selected because we only have short-term follow-up data for re-offending and employment and because of the secondary research that considers the wage premium to more advanced qualifications gained in adulthood over seven years (we assume that it takes Clean Break participants three years to gain the qualification).

Box 2: Following up with Clean Break graduates

Clean Break followed up with all 31 students who graduated in July 2010. These 31 women are not the only ones who participated in Clean Break in the 2010 summer term—only the ones who graduated. We asked Clean Break to find out:

- whether women were in education, employment or training at follow up; and
- whether women had re-offended at follow up.

Clean Break managed to contact 20 out of the 31 women in May 2011. Some had changed phone number or moved address, and others simply failed to respond even after several attempts. Some were part of the POPPY Project, which provides accommodation and support to women who have been trafficked into prostitution. These women could not be reached because they have moved to confidential addresses. This illustrates the difficulty of following up with participants, particularly when they have chaotic lives.

The main analysis is therefore based on the outcomes of the 20 women whom Clean Break was able to contact. It is possible that the outcomes of the other 11 women are different; this is tested in the sensitivity analysis in the Appendix.

Findings

Re-offending

Outcomes data

Clean Break's monitoring data shows that sixteen out of the twenty women (80%) offended before Clean Break. The nine-month follow-up data shows that only one is known to have re-offended after Clean Break, implying an actual re-offending rate of 6.25%. This is self-reported data, but the trusted relationship that Clean Break has with women who participate and other agencies helps to increase its reliability.

Counterfactual estimate

We do not have enough data to estimate expected re-offending rates for each individual. We estimate that a year is the minimum amount of time since release, and so we use the national one-year re-offending rate for women of 34.5% to estimate what would have happened to these women without Clean Break.^{1,2} We estimate that six women would have re-offended.

$$16 \text{ women} \times 34.5\% = 6 \text{ women would have re-offended}$$

This is not an ideal counterfactual, but we use it in the absence of other data. The sample includes women with both community and custodial sentences.

Estimate of impact

We therefore estimate that Clean Break prevents five women from re-offending.

$$6 \text{ women} - 1 \text{ woman} = 5 \text{ women}$$

Estimate of economic benefit

We take a conservative approach to valuing this reduction in re-offending and only consider the costs to the criminal justice system for one year. We estimate that each re-offender costs the criminal justice system £94,526 [1].^{3,4,5} This includes the cost of the number of re-offences that the average woman commits leading to reconviction within a year and the cost of a woman's prison place, including sentencing, for a year.

It does not include any additional costs of women re-offending—for example, their children being taken into local authority care. These costs are likely to be significant⁶. However, with neither outcomes data nor a counterfactual estimate, we decided not to consider these costs.

We therefore estimate that five women not re-offending saves the criminal justice system £427,258 over one year. This does not consider any savings from the four women who had not offended having a lower risk of offending. These benefits are summarised in Table 1.

Table 1: Summary of economic benefits (N=16)

	A. With Clean Break	B. Without Clean Break	Difference (A-B)
Number of women who have re-offended	1	6	-5
Average economic benefit to state +	-£94,526	-£94,526	N/A
Average economic benefit to individual =	£0	£0	N/A
Average economic benefit to society	-£94,526	-£94,526	N/A
Total economic benefit to state +	-£94,526	-£521,784	£427,258
Total economic benefit to individual =	£0	£0	£0
Total economic benefit to society	-£94,526	-£521,784	£427,258

¹ We estimate that one year is the minimum amount of time since release by taking the minimum number of months a woman could have participated in Clean Break (three months) and adding our follow-up period (nine months). This also assumes that the woman starts at Clean Break immediately on release from prison.

² Ministry of Justice (2011) *Adult re-convictions: results from the 2009 cohort, England and Wales*.

³ Social Exclusion Unit (2002) *Re-offending of ex-prisoners*.

⁴ Ministry of Justice (2011) *Adult re-convictions: results from the 2009 cohort, England and Wales*.

⁵ Hansard HC, 4 April 2011, c641W.

⁶ Page, A. (2011) *Counting the cost: The financial impact of supporting women with multiple needs in the criminal justice system*. Revolving Doors Agency

Employment

Outcomes data

The follow-up data shows that five out of the fifteen women who have not re-offended at follow-up are also employed, implying an employment rate of 33.33%.

Counterfactual estimate

Without Clean Break, we estimate that two women would have been employed. This is because only 13% of women enter employment on release from prison.¹ This is not an ideal counterfactual, but we use it in the absence of other data.

$$15 \text{ women} \times 13\% \text{ employment rate} = 2 \text{ women employed}$$

Estimate of impact

We therefore estimate that three women are employed at follow up who would not been otherwise.

$$5 \text{ women} - 2 \text{ women} = 3 \text{ women}$$

Estimate of economic benefit

We estimate that women who participate in Clean Break have the potential to earn £14,611 a year based on their qualification levels and chance of full-time employment [2]. We therefore estimate that three women being employed who would not have otherwise been results in a total economic benefit of £44,564 over one year. This is made up of net earnings of £36,804 to individuals and income tax and National Insurance of £7,759 to the state [2].

$$3 \text{ women} \times £14,611 = £44,564$$

This is summarised in Table 2.

Table 2: Summary of economic benefits (N=15)

	A. With Clean Break	B. Without Clean Break	Difference (A-B)
Number of women employed	5	2	3
Average economic benefit to state +	£2,544	£2,544	N/A
Average economic benefit to individual =	£12,067	£12,067	N/A
Average economic benefit to society	£14,611	£14,611	N/A
Total economic benefit to state +	£12,720	£4,961	£7,759
Total economic benefit to individual =	£60,335	£23,531	£36,804
Total economic benefit to society	£73,056	£28,492	£44,564

Qualifications

Clean Break also gives women the opportunity to attain more advanced qualifications, both at Clean Break and after at other institutions. In economic analysis, more advanced qualifications are typically valued by estimating the 'return to education', or the increased wages that the average individual earns through being better qualified.

This analysis is speculative because we do not know whether Clean Break participants will actually attain these qualifications, will then go on to use their qualifications in employment, and earn the same wage premium as other women who attain a more advanced qualification in adulthood. We also do not have a counterfactual.

We look at benefits to more advanced qualifications over ten years. This is simply because the research estimating the benefits to more advanced qualifications gained in adulthood is over seven years and we assume that it takes an additional three years to gain the qualification.

¹ Hansard HC, 14 September 2009, c2146W.

Outcomes data

Follow-up data shows that two women are in higher education nine months after Clean Break. If they successfully complete their courses, they will attain a degree. Both these women had Level 3 qualifications before Clean Break. We therefore assume that these two women attain more advanced qualifications in the years following Clean Break, moving from a Level 3 to a degree-level qualification. We recognise that longer-term follow-up data is required to validate this assumption.

Counterfactual estimate

We assume that these women would not have gained these qualifications without Clean Break. This is based on anecdotal student feedback that many would not be in education without Clean Break. Clean Break's theory of change also supports this assumption. However, we recognise that better quality evidence is needed to validate this assumption.

Estimate of impact

We therefore assume that two women will attain degree-level qualifications three years after Clean Break.

Estimate of economic benefit

Using British Household Panel Survey data, we estimate the return to attaining more advanced qualifications in adulthood.¹ We estimate that a woman who attains a degree-level qualification will earn on average £18,102 more over the next seven years than if she had remained with a Level 3 qualification [3].

Box 3: Nina's story

Nina's problems started when she was a teenager and was badly bullied at school. Her home life was difficult and when she was 14 she was thrown out by her dad. Although she was later allowed back home, by the time she was 16 she had left school and moved out permanently from home. Nina says, *'I was living for the party scene, going to all the festivals and it was during this time that I first tried heroin.'*

At 17 Nina was pregnant and using heroin every few days. In 2000, when Nina was 18, she was arrested for dealing ecstasy at Glastonbury and was given an 18-month prison sentence. Because she had a young baby Nina was placed in a special mum and baby unit in the prison. *'It was a very hard time. My best friend died from a heroin overdose while I was in prison. I had to toughen up and be a different person. It was better in the mum and baby unit because the women there wanted to focus on their children but it was still very hard to deal with.'*

Over the next few years, Nina remained hooked on heroin and when her son was three years old, he was removed from her care and went to live with her parents. *'When I lost my son it was so tough. I was living on a traveler site and the police came and took him. It was just so horrible and I ended up turning to drugs more and more.'* Despite trying various detox programmes, by the end of 2006 Nina was homeless and living on the streets. *'I was in a really bad way. My key worker kept saying they would get me into treatment but it never happened because they said I didn't meet the criteria.'* Even when Nina did get onto detox programmes she would fall back into using drugs once she left because she went back to living with other drug users.

In 2009, after having a second child, Nina completed a three month treatment programme and realised she would have to break away from her old lifestyle if she was to stay clean and build a new life for herself and her daughter. It was at this time that Nina decided to get in touch with Clean Break. She had known about the charity for a couple of years and thought it might be the perfect place for her to start to get her life back on track. *'I knew I could do some good things but I just hadn't had an opportunity before. I had done theatre at school and when I read about Clean Break I knew it was somewhere I could express myself and be with women like me.'*

Nina started on her first course with Clean Break in 2010. *'I was really, really nervous at first. When I first met the group they were all asking me questions and at that time I had very little confidence. Since then I've been on an amazing journey. Clean Break has helped me to see what I really want to do with my life. I don't feel judged when I'm there and I trust them which is saying a lot because I find it very difficult to trust people.'*

Nina recently worked with the National Youth Theatre and is now applying to university to do a course in applied theatre. She is still attending Clean Break's courses and the charity is helping her with her application for a university place. *'I've come alive again really and regained my belief in myself. I now know that I do have value and what I think and say does count. Clean Break were there for me when I had no-one else and they helped me find my niche in life. Against all the odds I now know what I want to do with my life.'*

¹ Blanden, J. (2010) *Measuring the Returns to Lifelong Learning*. Centre for the Economics of Education.

We therefore estimate that two women attaining degree-level qualifications results in total economic benefit of £36,204 over ten years. This is made up of net earnings of £24,619 to the individual and income tax and National Insurance of £11,585 to the state.

$$2 \text{ women gain a degree-level qualification} \times \text{£18,102} = \text{£36,204}$$

This is summarised in Table 3.

Table 3: Summary of economic benefits (N=20)

	A. With Clean Break	B. Without Clean Break	Difference (A-B)
Number attaining a more advanced qualification after Clean Break	2	0	2
Average economic benefit to state +	£5,793	£0	N/A
Average economic benefit to individual =	£12,309	£0	N/A
Average economic benefit to society	£18,102	£0	N/A
Total economic benefit to state +	£11,585	£0	£11,585
Total economic benefit to individual =	£24,619	£0	£24,619
Total economic benefit to society	£36,204	£0	£36,204

The cost of the programme

Clean Break has calculated separate unit costs for its Access to Theatre course and its other courses. These unit costs include overheads and staff costs. The Access to Theatre course is more expensive because it is longer and more intensive. This data is given in Table 4.

Table 4: The cost of investment

Type of course	Cost per woman
Access to Theatre course	£11,797
Other courses	£1,532

We can apply these costs to the 20 women included in the analysis. The courses that these women participated in are given in Table 5.

Table 5: Course participation of followed-up cohort (N=20)

Course participation	Number of women	Cost per woman
Access Course, no other courses	5	£11,797
Access Course, two other courses	1	£14,881
No Access Course, one other course	12	£1,532
No Access Course, three other courses	1	£4,626
No Access Course, four other courses	1	£6,168
Total	20	£103,164

It therefore costs £103,164 for these 20 women to participate in Clean Break's education programme.

The return on investment

For this economic analysis, we quantified the economic benefits of not re-offending after Clean Break, being employed after Clean Break and attaining a more advanced qualification after Clean Break.

- We estimate that five women do not re-offend who would have otherwise. This implies a total economic benefit over one year of £427,258.
- Moreover, we estimate that three women are employed who would not have otherwise been. This implies a total economic benefit over one year of £44,564.
- More speculatively, we estimate that Clean Break gives two women the potential to attain a degree-level qualification. This implies a total economic benefit over ten years of £36,204.

This is summarised in Table 6.

Table 6: Summary of all estimated benefits

	A. To state	B. To individual	To society (A+B)
Estimated benefits over one year			
Re-offending	£427,258	£0	£427,258
Employment	£7,759	£36,804	£44,564
Estimated benefits over ten years			
Qualifications	£11,585	£24,619	£36,204
Total estimated benefit	£446,602	£61,423	£508,026

Turning to the costs of the programme, we estimated that it costs £103,164 to provide Clean Break's education programme to 20 women. Compared to estimated benefits, this implies a return on investment of £4.57 over one year.

$$(\pounds427,258 + \pounds44,564) \div \pounds103,164 = \pounds4.57$$

Adding the more speculative estimated benefits to more advanced qualifications gained after Clean Break, this implies a return on investment of £4.92 over seven years. This is only the increased earnings from two women attaining more advanced qualifications; we do not look at re-offending or straightforward employment over seven years.

$$(\pounds427,258 + \pounds44,564 + \pounds36,204) \div \pounds103,164 = \pounds4.92$$

Key assumptions

In doing the economic analysis, we made the following assumptions:

- The twenty women contacted by Clean Break are representative of women who participate in its education programme.
- If they had not participated in Clean Break, women would have an employment rate at follow-up of 13% based on the percentage of women who enter employment on release from prison.
- If they had not participated in Clean Break, women would have re-offended at a rate of 34.5% based on the one-year re-offending rate of women offenders.
- Reported re-offending is an accurate indication of actual re-offending.
- Women who are in higher education at follow-up will go on to attain a degree.
- Women would not have attained more advanced qualifications without Clean Break.
- The value of a more advanced qualification is the economic return of that qualification over seven years. This assumes that women will be in employment.

Some of these assumptions are significant but difficult to test using data, especially the assumptions about what would have happened if the women had not participated in Clean Break. This is the reason for our recommendations on improving monitoring and evaluation.

Sensitivity analysis

We can, however, test the assumption that the outcomes of the women whom Clean Break could not contact are the same as those whom it could. It could be that Clean Break was unable to contact them because their outcomes are worse—that is, they have re-offended.

We estimate that Clean Break needs to prevent one of these women from re-offending to 'break even', or for the return on investment to equal one.



Photograph supplied by Clean Break

Box 4: Alison's story

Alison had always worked hard and after going to college she had a variety of jobs in the retail sector. However when she was in her thirties and with three children to look after things started to go downhill. One employer accused her of fraud, which led to a low community service order. A further prosecution for theft left her with a higher community sentence. Both times, Alison's lack of previous convictions and good references kept her out of prison.

Alison says that although she worked hard she liked 'nice things' and would spend a lot of money on holidays and things for her children. This started getting out of control and she was soon in debt and facing a growing number of unpaid bills.

It was at this time that Alison met a man who became a good family friend. He surprised her by turning up on a family holiday to Jamaica, and spent a lot of time and money taking Alison and her family out. Alison says, *'He was very clever. He knew I had a lot of problems with unpaid bills and he kept saying, "I know a way you can make a bit of money." In the end I agreed to bring some weed back with me but when I changed my mind and tried to back out, he suddenly became very insistent.'*

Alison was convicted for drug smuggling and received a two and a half year sentence. She says, *'Prison was awful. I was used to working and being an active mum. I was a very confident person but I turned into a bungling, crying, broken-down wreck. I didn't know myself and I was devastated to be parted from my kids.'* Even when Alison was released from prison things didn't improve. She became claustrophobic and wouldn't leave the house. *'Even my daughter said, "Mum, I don't know you anymore". I was scared to go out; I'd lie in bed for weeks. My kids had to be the parents as I couldn't cope.'*

Eventually a friend mentioned a drama course run by the charity Clean Break and Alison's probation officer managed to get her a place. Despite her claustrophobia, Alison was determined to attend the course. She had always had an interest in drama and performing and was keen to get her life back on track. The first few weeks were very difficult but she says the team at Clean Break were amazing. *'They offered me a network of support. There was always a person to support me and offer encouragement.'*

Alison has now been attending Clean Break's drama course for two years. *'Clean Break has given me back my confidence which I never thought would happen. I am a different person now and they've really given me a new lease of life. The drama helps me express myself in a way I never could before. For me it is a form of counseling as it enables you to express feelings and desires in a supportive environment. It also takes you away from the reality of life and allows you to follow your passion.'*

Alison is now hoping to pursue a career in the performing arts. She says her children are very proud of her and all she's achieved. *'The kids have seen a big change in me. I can still be a miserable mum at times but not like before. I get on with things now and I'm able to cope and be a better mum.'*



Photograph supplied by Only Connect

3. Only Connect

Only Connect is a London-based arts charity for prisoners and ex-offenders. Those who perform in a theatre or other arts production become members of the charity. Many go on to help Only Connect deliver arts-based crime prevention projects in schools and youth groups across London. By supporting prisoners and ex-offenders to create arts projects, belong to a community of members and educate young people at risk of crime, Only Connect aims to help them transform their lives and the lives of the next generation.

In this economic analysis, we quantify the economic benefit of Only Connect reducing re-offending over six years. We estimate that Only Connect more than halves re-offending. We estimate that this generates cost savings of over £3.2m to the criminal justice system and a return of investment of £3.06 over six years. This estimate and the calculations that lead to it described below are subject to the limitations described in Section 1.

Overview of the project

Only Connect was founded in 2006, putting on its first play at HMP Wormwood Scrubs. Since then, it has evolved to develop a model of long-term support for adult male ex-offenders in the community. It also works with young people at risk of crime in schools and youth groups across London. This analysis looks at Only Connect's work with members who have been released from prison.

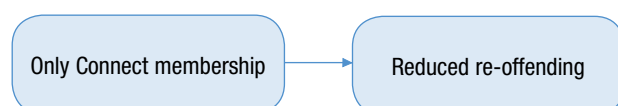
Prisoners and ex-offenders are first introduced to Only Connect by an existing member or referred through prison or probation services. They then participate in a theatre workshop in prison or at Only Connect's north London venue—since 2006, around 1,700 prisoners and ex-offenders have participated in these theatre workshops. Some then go on to perform in a theatre or other arts production, thereby becoming members of Only Connect. There are currently 95 members, almost half (44%) of whom are still involved on a regular basis.

The idea of membership is to give prisoners and ex-offenders a sense of belonging and access to a range of long-term support, such as therapy, further education and training and assistance with housing. There are also regular social events, including dinner every week and family days. Members interested in youth work run arts-based crime prevention projects in schools and youth groups. Since 2008, over 7,000 young people have participated in these projects.

Only Connect aims to help prisoners and ex-offenders transform their lives in three ways:

- **Create:** Through theatre, film and music, Only Connect engages people who have struggled in conventional education but who have a talent for expression. They develop life skills such as teamwork, confidence, and working towards a goal.
- **Belong:** Only Connect believes that the causes of crime and social breakdown are relational—a lack of support at home and in the community. Only Connect gives offenders the chance to belong to a positive and safe community where they can develop constructive relationships.
- **Impact:** By educating young people, members help to prevent crime as well as developing leadership skills and a sense of purpose.

Figure 2: Only Connect's outcome included in the economic model



About this analysis

Only Connect's model means that it keeps in touch with the majority of its members and therefore knows whether they have re-offended, from both self-reporting and prison and probation officers. This is impressive, given the recognised difficulty that charities face in collecting long-term re-offending data.

For the economic analysis, we focus on quantifying the economic benefit of reducing re-offending. This is illustrated in Figure 2. We focus on re-offending because this is currently the only outcome that Only Connect monitors. Of the 95 current members, re-offending is not an applicable outcome for 23 members, 5 of whom were never convicted of an offence and 18 of whom are still in prison. The analysis is therefore limited to the 72 members who have been released from prison.

Our analysis underestimates the value of Only Connect as it does not consider the benefit to members who were never in prison or are still in prison, to the prisoners and ex-offenders who participate in theatre workshops but do not go on to become members, or to the young people who participate in crime prevention projects. It also only values re-offending actually prevented, not re-offending that may be prevented in the future. Finally, the unit cost that we use is an overestimate of the actual cost of intervention.

Findings

Re-offending

Outcomes data

Of the 72 members who have been released from prison, Only Connect is still in touch with 58 members and knows that 15 have re-offended. This gives a re-offending rate for those whose status is known of 25.9%. By applying this re-offending rate to all 72 members who have been released from prison, we estimate that 19 members have re-offended.

72 members x 25.9% = 19 members have re-offended

Counterfactual estimate

Using Ministry of Justice re-offending data and considering age, gender and time since release from prison, we estimate that the re-offending rate would have been 57.5% without Only Connect [4]. By applying this re-offending rate to all 72 members who have been released from prison, we estimate that 41 members would have re-offended.

72 members x 57.5% = 41 members would have re-offended

Estimate of impact

We therefore estimate that Only Connect has prevented 22 members from re-offending.

41 members – 19 members = 22 members

Estimate of economic benefit

We take a conservative approach to estimating the economic benefit of this reduction in re-offending and only consider the costs to the criminal justice system. There are two costs here: first, the cost of the re-offences leading to reconviction and second, if the reconviction results in prison sentence, the cost of prison, including sentencing.

- Using data on the re-offending frequency rates for different follow-up periods, we estimate that the average Only Connect member would have committed seven re-offences leading to reconviction [5]. Using Home Office data on the cost of crime, the Social Exclusion Unit estimated in 2002 that the average re-offence cost the criminal justice system £13,000.¹ This is equivalent to £16,044 in 2009/2010 prices. We therefore estimate that this average number of re-offences would have cost the criminal justice system £114,125.

7 re-offences x £16,044 per re-offence = £114,125

¹ Social Exclusion Unit (2002). *Reducing re-offending by ex-prisoners*.

- If reconviction leads to a prison sentence, as it does for 38% of re-offenders, then we need to factor in the cost of prison, including sentencing.¹ In 2002 the Social Exclusion Unit estimated that the average cost of a prison sentence in a crown court was £30,500.² This is equivalent to £37,641 in 2009/2010 prices. The annual cost of prison is currently £45,000.³ To be conservative, we assume that the average Only Connect member who re-offends serves a one-year prison sentence. We therefore estimate that the average Only Connect member would have cost the criminal justice system £31,404 in prison costs, including sentencing.

$$38\% \text{ chance of prison sentence} \times (\text{£37,641 cost of prison sentence} + \text{£45,000 cost of prison for a year}) = \text{£31,404}$$

- We therefore estimate that the average Only Connect member who re-offends would have cost the criminal justice system £145,528.

$$\text{£114,125} + \text{£31,404} = \text{£145,528}$$

We therefore estimate that preventing 22 Only Connect members from re-offending saves the criminal justice system £3,216,672. This is summarised in Table 7.

Table 7: Summary of economic benefits (N=72)

	A. With Only Connect	B. Without Only Connect	Difference (A-B)
Number who have re-offended	19	41	-22
Average economic benefit to state +	-£145,528	-£145,528	N/A
Average economic benefit to individual =	£0	£0	N/A
Average economic benefit to society	-£145,528	-£145,528	N/A
Total economic benefit to state +	-£2,806,620	-£6,023,292	£3,216,672
Total economic benefit to individual =	£0	£0	£0
Total economic benefit to society	-£2,806,620	-£6,023,292	£3,216,672

The cost of the programme

From 2006/2007 to 2009/2010, Only Connect had total incoming resources of £984,139⁴. This is summarised in Table 8.

Table 8: Total incoming resources, 2006/2007 to 2009/2010

Financial year	Total incoming resources	In 2009/2010 prices
2006/2007	£71,628	£77,009
2007/2008	£223,275	£233,361
2008/2009	£335,356	£341,069
2009/2010	£332,701	£332,701
2006/2007–2009/2010	£962,960	£984,139

With a total membership of 89 during this time period, this implies a unit cost of £11,058 to support the average Only Connect member.

$$\text{£984,130} \div 89 \text{ members} = \text{£11,058 per member}$$

This unit cost is an overestimate of the actual cost of the intervention because the charity's reach is greater than its membership. Some of this money is used to run theatre workshops with prisoners and ex-offenders who do not become members, and art-based crime prevention workshops for young people. It should also be remembered that the charity's support for its members is open-ended and this unit cost is therefore for multi-year support.

We therefore estimate that it costs Only Connect £1,050,486 to support 95 members.

¹ Ministry of Justice (2007)

² Social Exclusion Unit (2002) *Reducing re-offending by ex-prisoners*.

³ Hansard HC, 3 March 2010, c1251W

⁴ 2006/07 to 2009/10 annual reports, with earlier years inflated to 2009/10 prices.

The return on investment

For this economic analysis, we quantified the economic benefit of preventing ex-offenders from re-offending. We estimated that Only Connect prevents 22 out of 72 members who have been released from prison from re-offending. We then estimated that this saves the criminal justice system £3,216,672 over six years. These estimated benefits are summarised in Table 9.

Table 9: Summary of all estimated benefits

	A. To state	B. To individual	To society (A+B)
Estimated benefits over six years			
Re-offending	£3,216,672	£0	£3,216,672
Total estimated benefit	£3,216,672	£0	£3,216,672

Turning to the costs of the programme, we estimated that it costs £1,050,486 to provide multi-year support to Only Connect members. Compared to the estimated benefits, this implies a return on investment of £3.06 over six years.

$$£3,216,672 \div £1,050,486 = £3.06$$

Box 5: Feras' story

A few weeks ago, Feras and some friends heard a woman shouting for help. They ran to see what was wrong, and found a pensioner who had been robbed by a girl who was now running away. They chased after the girl, brought her back, and called the police. 'We stopped her,' he says. 'A bunch of ex-offenders stopped her. Before I would have ignored those cries and let that person go. But now I'm straight there. That's the impact that Only Connect can have on you.'

Feras got involved with Only Connect in 2010, after he met its founder, Emma, at a Kids Company centre in Kilburn. He had been in prison as a teenager but now in his early twenties he was looking to turn things around especially as he now had a son to look after. Feras had done some acting before and enjoyed it, so Only Connect's focus on drama appealed to him.

From the start, Feras enjoyed working with the charity. 'It feels really like a family. It feels safe, and that's what I liked about it, so I just kept on coming down'. Three months after he had met Emma, Feras started working for Only Connect full time as a youth rep. He now goes into schools to give drama workshops and talk about his own experiences. 'The kids are a bit more comfortable with us knowing that we've had similar experiences. I tell the kids, "It takes a second, a minute, a day to change your life forever. You don't want to be in a police cell when that second, that minute, that day comes." We hopefully reach out to young kids in school, and hope they don't make the mistakes that we have in the past.'

Feras says he would have liked someone to tell him these things as a teenager, but he never had anyone come into his school to talk to him. 'I would actually have loved that experience. Half of my experiences as a youngster are really embarrassing. Some kids, they think it's cool to go to jail, because that's where you get your stripes. But we make sure that we do not glamorise it. We analyse the situation and say look, you can't live your life like this.'

In January 2011, Feras and a colleague started a youth club at the charity as a three-month pilot. Nine months on, it's still going strong. Feras is keen to build on this success and knows the experience he has gained will stand him in good stead for the future. 'Only Connect is my home right now, my loyalty stands here. I don't know any other company that could give me this experience. I definitely think it's going to get bigger—how can it not? It's doing brilliant work. I'd love to be involved in expanding it. We need more places like Only Connect going into prisons, into schools, catching the young ones while they're still young.'

Feras has also appeared at the Young Vic and has a part in an upcoming BBC drama. He says Only Connect has been a positive influence on all aspects of his life. 'It's definitely helped me. It gives you a sense of responsibility, like people are relying on you.'

Key assumptions

In doing the economic analysis, we made the following assumptions:

- The 58 members with whom Only Connect is still in contact are representative of the 72 members released from prison more generally.
- Reported re-offending is an accurate indication of actual re-offending.
- The re-offending rate without Only Connect would have been 57.5% based on estimated re-offending by age, gender and time since release from prison.
- The number of offences prevented can be estimated based on the offender's age, gender and time since released from prison.

As with Clean Break, these assumptions are material but difficult to test.

Sensitivity analysis

In the main analysis, we assume that those whose re-offending status is unknown re-offend at the same rate as those whose re-offending status is known. However, it could be that Only Connect is no longer in touch with these members because they have re-offended. Only Connect would not regard this as a failure of the programme, as it would say that re-offending is not the only indicator of success. However, as this is the outcome that we give an economic value, we have to test this assumption.

To give us a higher-bound estimate of the actual re-offending rate, we assume that all 14 members whose re-offending status is unknown have actually re-offended. With this assumption, and assuming that members are the average age and time since release from prison if this is unknown, we estimate that Only Connect still prevents 11 members from re-offending and the return on investment is £1.40—still greater than one.

Box 6: Vince's story

Vince was in his teens when he first started committing crime. He lived on a tough estate in London with his mother and three sisters. At the time, Vince says he saw his mother as 'the enemy' because she was so hard on him. *'My father wasn't around so my role models were the well-to-do criminals on the estate. I liked the fast cars and the pretty girls and when I committed crime I was accepted into the 'group'. There was a lot of camaraderie and they didn't tell me off.'*

When he was 17, Vince received his first prison sentence after he was involved in a serious fight with another man. *'When I went to prison I actually got more into crime because I learnt new tricks, met more criminals and it was like prison was my 'badge of honour' amongst my friends. I was very angry and hateful of society because I didn't feel I'd been listened to and had been punished for something that wasn't my fault. After that I got much more involved in crime and the gang culture.'*

By the time he was in his thirties, Vince had been in and out of prison several times. In 2006, he came across Only Connect after being chosen to take part in a drama course the charity was running at the prison. He wasn't keen at first but agreed to go along and was eventually picked to take part in a play being put on at the prison for inmates and staff. *'The day we were due to perform I was really fearful because it's a tough crowd to perform in front of. At the end of the play I didn't dare look up but then I heard the applause and I found myself in tears. They genuinely liked it and for the first time I felt I was worth something because here were these strangers telling me they thought I was good.'*

Shortly after that performance, Vince left prison and started working with Only Connect on a regular basis, both performing and running workshops. Part of his work includes visits to schools where he speaks to children about the dangers of getting involved in crime. After five years with Only Connect Vince has just qualified as a personal trainer, is studying for a sports degree and has just got married. *'I am lucky to be alive. It wasn't just the performing at Only Connect which gave me confidence but the level of support I received as well. I was listened to and for the first time someone asked me what I wanted and what I needed.'*

The confidence Vince has gained through performing and his new career has had a huge impact on his family as well. *The biggest boost for me was when my son gave a speech at his school about his 'role model' and he chose me. It just shows that you can change things around if you are given a chance.'*



4. Unitas Summer Arts Colleges

Unitas is a national charity that uses creative activities to help disadvantaged young people get back into education, employment or training. Its Summer Arts Colleges are intensive education projects for young people at high risk of offending. Using arts-based activities, they aim to reduce offending, improve literacy and numeracy skills and get more young people back into mainstream education, employment and training.

In this economic analysis, we focus on quantifying the economic benefits of Summer Arts Colleges reducing offending over the short term and improving young people's literacy and numeracy skills. We find that the Summer Arts Colleges prevent 322 young people from committing 42 offences during the programme and 97 offences in the following 3 months. We also estimate that 46 young people improve their literacy skills to Level 1 and 42 young people improve their numeracy skills to Level 1. Together, we estimate that this generates a return on investment to society of £5.89 over young people's working lives.

Most of this return—approximately two-thirds—accrues to the participants. In other words, the main value of the Summer Arts Colleges is in the longer term benefits in literacy and numeracy, which mostly benefit the participants, rather than short-term savings to the criminal justice system from the reduction in crime. These estimates and the calculations that lead to them described below are subject to the limitations described in Section 1.

Overview of the project

The Summer Arts Colleges were launched in 2005, as part of a strategic partnership between the Youth Justice Board and Arts Council England. Since then, more than 1,300 young people have taken part across England. The model has proved to be replicable and scalable, with one in three local authorities now running Summer Arts Colleges.

Unitas coordinates the programme, distributing funding to Youth Offending Teams (YOTs) to run courses in their areas. Unitas assists the YOTs in their planning process, helping them identify appropriate venues and skilled arts practitioners, build their curriculum and deliver effective programmes. There is comprehensive online training and a bank of arts enrichment resources. Unitas also manages a comprehensive quality assurance system, which includes systematic data collection and monitoring and quality audit visits.

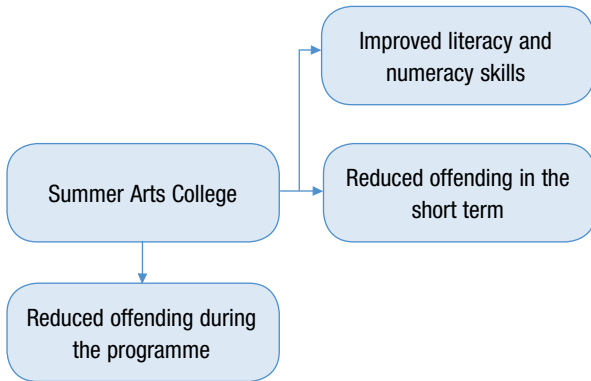
Each college provides ten young people with a programme of structured arts activities for 25 hours a week during the summer holidays. The length of the programme varies, but in 2009 it was five weeks. Participants work towards the nationally recognised Arts Award qualification. At the end of the Summer Arts College a celebration event is held to display or perform the work that the young people have done.

Although Summer Arts Colleges have a prescribed structure and content, YOTs can choose the art form that they use, ranging from film and video to dance and drama. They can also choose how to build in educational provision for literacy and numeracy skills. All Summer Arts Colleges are staffed by arts practitioners who are experienced in working with young people who have offended, and a professional literacy and numeracy tutor.

The programme is designed for young people aged 14 to 19 on Detention and Training Orders and those subject to Intensive Supervision and Surveillance (ISS). Young people subject to ISS require supervision for 25 hours each week, which, during the summer holidays, can be challenging for a YOT to arrange, particularly with staff taking annual leave during the summer. The Summer Arts Colleges fulfil the supervision requirement of these orders with a structured programme of activity.

Summer Arts Colleges have three objectives for the young people who participate:

- to reduce levels of offending during the programme and in the following months;
- to increase educational engagement and facilitate transition into mainstream education, training and employment after the programme; and
- to improve literacy and numeracy skills and to encourage accreditation through the Arts Awards.

Figure 3: Summer Arts Colleges' outcomes quantified in the economic model

About this analysis

For the economic analysis, we focus on quantifying the economic benefits of reduced offending during the programme and in the following three months and improved literacy and numeracy skills over young people's working lives. This is illustrated in Figure 3. The time period over which we are considering the economic benefits of reduced offending is conservative.

To measure progress against these objectives, Unitas requires YOTs to provide data on the background and characteristics of young people, their educational attainment, their achievement and progression, and their offending outcomes. This data is then collated and analysed by independent researchers for Unitas in an annual outcomes report. The scale of the programme enhances the validity of the results and the sample size means that they are statistically significant.

For this analysis, we use outcomes data from 2009, as this is the latest year for which we have data for all Summer Arts Colleges. In 2009, 323 young people started the programme and 81% of these (262 young people) finished the programme.

Findings

Offending

Outcomes data

Unitas monitoring data shows that overall, young people offend less during Summer Arts Colleges compared to the months before the programme. They also offend less in the months after the programme compared to the months before the programme:

- In the 13 weeks before the programme, each young person who started Summer Arts College committed an average of 0.090 offences a week.
- During the five-week programme, each young person who started Summer Arts College committed an average of 0.064 offences a week.
- In the 13 weeks after the programme, each young person who started Summer Arts College committed an average of 0.067 offences a week.

This data is collected from Youth Offending Teams and compiled by independent researchers.

Counterfactual estimate

We use the pre-Summer Arts College mean offending rate as a conservative estimate of what the offending rate would have been during the programme. Evidence suggests that youth offending tends to rise during the summer, particularly when young people have nothing to do, implying an increase in the offending rate rather than the decrease that we observe.¹

¹ Sodha, S. and Margo, J. *Thursday's Child*. Institute for Public Policy Research.

We also use the pre-Summer Arts College mean offending rate as an estimate of what the offending rate would have been after the programme. We are less certain this is conservative, but this before-after comparison is the best estimate that we have.

Estimate of impact

Based on the pre-programme offending rate, we would expect the 323 young people to commit 145 offences during the programme. However, they actually commit 103 offences. We estimate that 323 young people are prevented from committing 42 offences during this time period.

$$(0.090 \text{ offences/week} \times 5 \text{ weeks} \times 323 \text{ young people} = 145 \text{ offences}) -$$

$$(0.064 \text{ offences/week} \times 5 \text{ weeks} \times 323 \text{ young people} = 103 \text{ offences})$$

$$= 42 \text{ offences prevented}$$

Based on the pre-programme offending rate, we would expect the 323 young people to commit 378 offences after the programme. However, they actually commit 281 offences. We estimate that 323 young people are prevented from committing 97 offences during this time period.

$$(0.090 \text{ offences/week} \times 13 \text{ weeks} \times 323 \text{ young people} = 378 \text{ offences}) -$$

$$(0.067 \text{ offences/week} \times 13 \text{ weeks} \times 323 \text{ young people} = 281 \text{ offences})$$

$$= 97 \text{ offences prevented}$$

Estimate of economic benefit

Using Home Office estimates for the average costs of crime, we estimate that the average cost to society of one offence committed by a young person is £5,329 [6]. This includes costs incurred by potential and actual victims, the state and offenders themselves. Of this overall cost, we estimate that £883 is incurred by the criminal justice system.

We therefore estimate that preventing 42 offences during the programme saves society £223,771 and preventing 97 offences after the programme saves society £514,672 over 18 weeks. Of this, we estimate that preventing 42 offences saves the criminal justice system £37,087 and preventing 97 offences saves the criminal justice system £85,301.

$$42 \text{ offences prevented} \times £5,329 = £223,771$$

$$97 \text{ offences prevented} \times £5,329 = £514,672$$

These estimates are summarised in Table 10.

Table 10: Summary of economic benefits (N=323)

	A. With Unitas	B. Without Unitas	Difference (A-B)
During Summer Arts College			
Number of offences	103	145	-42
Average economic benefit to criminal justice system +	-£883	-£883	N/A
Average economic benefit to victims, state excluding criminal justice system and offenders =	-£4,446	-£4,446	N/A
Average economic benefit to society	-£5,329	-£5,329	N/A
Total economic benefit to criminal justice system +	-£91,292	-£128,379	£37,087
Total economic benefit to victims, state excluding criminal justice system and offenders =	-£459,528	-£646,212	£186,683
Total economic benefit to society	-£550,820	-£774,591	£223,771
After Summer Arts Colleges			
Number of offences	281	378	-97
Average economic benefit to criminal justice system +	-£883	-£883	N/A
Average economic benefit to victims, state excluding criminal justice system and offenders =	-£4,446	-£4,446	N/A
Average economic benefit to society	-£5,329	-£5,329	N/A
Total economic benefit to criminal justice system +	-£248,485	-£333,785	£85,301
Total economic benefit to victims, state excluding criminal justice system and offenders =	-£1,250,778	-£1,680,150	£429,372
Total economic benefit to society	-£1,499,263	-£2,013,935	£514,672

Literacy and numeracy

Outcomes data

Unitas monitoring data shows that overall, young people have poor literacy and numeracy skills at the beginning of the programme and have improved literacy and numeracy skills at the end.

- In 2009, 248 young people finished Summer Arts Colleges and were assessed both before and after the programme for literacy and numeracy skills.
- Before the programme, 78% of these young people were below Level 1 in literacy and 83% were below Level 1 in numeracy.
- After the programme, 60% of young people were below Level 1 in literacy and 67% of young people were below Level 1 in numeracy.

Assuming similar outcomes for the 14 young people who finished the programme but were not assessed both before and after the programme, of the total 262 young people who finished the programme, 46 young people improved their literacy to Level 1 and 42 young people improved their numeracy to Level 1.

18% x 262 young people = 46 young people improved literacy to Level 1

16% x 262 young people = 42 young people improved numeracy to Level 1

This does not consider any improvement either to a level below Level 1 or within a level.

Counterfactual estimate

Without Summer Arts Colleges, it is unlikely that these improvements would have happened over the summer. Summer Arts Colleges were established to address a lack of education provision in the summer holidays for young people in contact with YOTs. We are also not quantifying any literacy and numeracy gains to young people who did not finish the programme.

Estimate of impact

We therefore estimate that through Summer Arts Colleges, 46 young people improve their literacy skills and 42 young people improve their numeracy skills.

Estimate of economic benefit

Individuals with good literacy and numeracy skills are likely to earn more over their working lives than individuals with poor literacy and numeracy skills.^{1,2} However, some individuals do improve their basic skills in adulthood.³ Taking this into account, and using data from a 2005 Department for Education report that quantifies the wage premium to improved literacy and numeracy skills, we estimate that:

- The average young person who improves literacy to Level 1 will earn £64,326 more over his or her working life [7]. This is made up of net earnings of £43,742 to the individual and income tax and National Insurance of £20,584 to the state.
- The average young person who improves numeracy to Level 1 will earn £35,955 more over his or her working life [7]. This is made up of net earnings of £24,449 to the individual and income tax and National Insurance of £11,506 to the state.

We therefore estimate that:

- Forty six young people improving their literacy skills results in a total economic benefit of £2,990,141 over 50 years. This is made up of net earnings of £2,033,296 to the individual and income tax and National Insurance of £956,845 to the state.
- Forty two young people improving their numeracy skills results in a total economic benefit of £1,519,383 over 50 years. This is made up of net earnings of £1,033,181 to the individual and income tax and National Insurance of £486,203 to the state.

This is summarised in Table 11.

¹ Every Child a Chance Trust (2009) *The long term costs of numeracy difficulties*.

² Every Child a Chance Trust (2009) *The long term costs of literacy difficulties*.

³ Bynner, J. and Parsons, S. (2006) *New Light on Literacy and Numeracy*. National Research and Development Centre for adult literacy and numeracy.

Table 11: Summary of economic benefits (N=262)

	A. With Unitas	B. Without Unitas	Difference (A-B)
Literacy skills			
Number who improve literacy	46	0	46
Average economic benefit to state +	£20,584	£0	N/A
Average economic benefit to individual =	£43,742	£0	N/A
Average economic benefit to society	£64,326	£0	N/A
Total economic benefit to state +	£956,845	£0	£956,845
Total economic benefit to individual =	£2,033,296	£0	£2,033,296
Total economic benefit to society	£2,990,141	£0	£2,990,141
Numeracy skills			
Number who improve numeracy	42	0	42
Average economic benefit to state +	£11,506	£0	N/A
Average economic benefit to individual =	£24,449	£0	N/A
Average economic benefit to society	£35,955	£0	N/A
Total economic benefit to state +	£486,203	£0	£486,203
Total economic benefit to individual =	£1,033,181	£0	£1,033,181
Total economic benefit to society	£1,519,383	£0	£1,519,383

The cost of the programme

In 2009, Unitas received £1,379,255 from the Youth Justice Board and Arts Council England to run arts colleges for 500 young people. The majority of these (323) attended Summer Arts Colleges. It therefore costs £890,999 to run the Summer Arts Colleges (including infrastructure costs), an average of £2,759 for each participant.

The return on investment

For this economic analysis, we quantified the economic benefit of young people reducing offending during and after the programme and improving literacy and numeracy skills.

We estimated that 323 young people are prevented from committing 42 offences during the programme and 97 offences after the programme. We estimated that this saves society £223,771 over the 5 weeks of the programme and £514,672 over the 13 weeks of the follow-up period. In total, we estimate that this saves society £738,443 over 18 weeks.

This includes costs incurred by potential and actual victims of crime, the state and offenders themselves. Of this, considering just the criminal justice system, we estimate that preventing 42 offences saves £37,087 and preventing 97 offences saves £85,301. In total, we estimate that this saves the criminal justice system £122,388 over 18 weeks.

We estimated that 46 young people improve their literacy skills and 42 young people improve their numeracy skills. We estimated that these improved literacy skills result in total economic benefit of £2,990,141 and improved numeracy skills result in total economic benefit of £1,519,383.

These estimated benefits are summarised in Table 12.

Table 12: Summary of costs and benefits

	A. To criminal justice system	B. To victims, state excluding criminal justice system and offenders	To society (A+B)
Estimated benefits over eighteen weeks			
Offending	£122,388	£616,055	£738,443
	A. To state	B. To individual	To society (A+B)
Estimated benefits over young people's working lives			
Literacy	£956,845	£2,033,296	£2,990,141
Numeracy	£486,203	£1,033,181	£1,519,383
Total estimated benefit			£5,247,967

Turning to the costs of the programme, we estimated that it costs £890,999 to provide the five-week Summer Arts College to 323 young people. Compared to estimated benefits, this implies a return on investment of £0.83 to society and £0.14 to the criminal justice system over eighteen weeks. It implies a return on investment to society of £5.89 over young people's working lives.

$$£738,443 \div £890,999 = £0.83$$

$$£122,388 \div £890,999 = £0.14$$

$$£5,247,967 \div £890,999 = £5.89$$

Key assumptions

In doing the economic analysis, we made the following assumptions:

- Before-and-after comparison gives an accurate estimate of the impact on offending. This assumes that no other factors are causing the reduction in offending that we observe during and after Summer Arts Colleges, including regression to the mean. This is the phenomenon that if a variable, such as offending, is very high on its first measurement, it will tend to be closer to the average on the second measurement.
- Improvements in literacy and numeracy levels can be extrapolated to those who finish the programme but have not been given scores. This is only 14 out of 262 young people, so actually not that big an assumption.
- Improvements in literacy and numeracy scores would not have otherwise happened and are maintained.¹

As with the other two case studies, these assumptions are important. Future research and monitoring should focus on testing the validity of these assumptions.

Sensitivity analysis

In the main analysis, we assume that improvements in literacy and numeracy are maintained.¹ However, it could be that these gains are short term, and young people return to having poor literacy and numeracy skills after the summer.

To give us an idea of how many young people would have to maintain improvements in literacy and numeracy, we calculate a break even point. We estimate that three young people would have to maintain improvements in literacy, or five young people would have to maintain improvements in numeracy (or some combination of improvements in literacy and numeracy), for the return on investment (including the benefit to reduced offending) to equal one.

¹Sodha, S. and Margo, J. (2008) *Thursday's Child*. IPP1



Photograph supplied by the Koestler Trust

5. Recommendations

Our economic analyses of Clean Break, Only Connect and Unitas Summer Arts Colleges show that these three charities provide savings to the public purse as well as improve the life chances of the people helped. This is without counting the wider impact of the arts.

The results from these charities suggest that the arts have the potential to play an important role in the rehabilitation of some offenders. Because of this potential, further investment in arts programmes, coupled with robust monitoring and evaluation to collect better evidence about what works, for whom, and why, could increase the value the sector provides.

The charities that we used as case studies are above average in their outcomes measurement, and we could not have written the report without them providing us their outcomes data to analyse. However, a robust counterfactual is still missing, so even these charities struggle to demonstrate to more demanding audiences that impact can be attributed to their interventions.

This and the other limitations to the analysis identified in Section 1 mean that the returns on investment cannot be compared. There is therefore more to do to develop common methods of economic modelling. The following recommendations (summarised in Table 13) show how charities, funders and the government can address these limitations.

Recommendations for charities

Charities looking to start measuring their impact should not leap directly to doing an economic analysis. Rather, they should prioritise the first steps of improving impact measurement: developing a clear theory of change and collecting high-quality monitoring and evaluation data.

Clarify your theory of change

A theory of change shows a charity's path from needs to outputs to outcomes to impact. It describes what a charity wants to achieve and how it plans to get there. At NPC, we believe that clear, simple theories of change are the foundation of every charity's ability to achieve impact. Without them, it is hard to work out how well a charity or sector is doing and how to improve. We recommend that all charities, including those using the arts in criminal justice, understand their theory of change before embarking on impact measurement.

For arts charities in the criminal justice sector, a theory of change provides a rationale for how arts interventions can contribute to the long-term goal of reduced re-offending and identify what parts of their services could increase the value they provide. For example, one claim is that arts charities work with people who do not engage in other interventions and would therefore be likely to re-offend. If such charities could show they do engage people who are otherwise hard to engage, they could strengthen the case for the value they provide.

In developing their theory of change, arts organisations should review and refer to theories and evidence developed by academics and other organisations. See NPC's forthcoming report *From Ambition to Results: Why charities should have a Theory of Change* for more information and guidance about developing a theory of change.

Monitor and evaluate your work

If they are not already doing so, we recommend that charities measure their impact using their theory of change as a guide. Charities should prioritise collecting data to understand whether key outcomes that can be directly linked to their intervention are achieved. For many arts charities in the criminal justice sector, this will be improvements in soft skills, with the ultimate outcome being a reduction in re-offending. A theory of change will then give charities the logical framework to demonstrate that changes in these outcomes lead to changes in hard outcomes, including re-offending. See the guide to demonstrating effectiveness, *Demonstrating the Value of Arts in Criminal Justice*, which the Arts Alliance recently produced with Charities Evaluation Services.

Improve your monitoring and evaluation data

Charities that have already started to measure their impact should check whether the evidence they collect is allowing them to understand and communicate their impact as well as possible. Some charities may need to establish a better method for collecting evidence of their impact on soft skills, such as self-confidence. Other charities may need to follow up with participants to understand longer-term impact.

All charities should establish a system for record-keeping and case management and understand the full cost of their services. Good information on participants is particularly important for following up, whether the charity does this itself or accesses statutory data. Charities that want to access statutory re-offending data will need to record the participant's name, date of birth and Police National Computer number.

Many charities in the criminal justice sector struggle to demonstrate impact on re-offending. NPC has recently written a guide to impact measurement in the youth justice sector. Many of the recommendations about gathering re-offending data apply to all charities in the criminal justice sector, not just those working with young people.¹

Check whether economic analysis is right for you

For charities that mainly have an impact on soft outcomes and are several steps removed from influencing re-offending, economic analysis is unlikely to be an appropriate tool. Economic analysis requires quantitative data on hard outcomes, including re-offending. It is just one tool for understanding and communicating impact and is not appropriate for all charities.

But for those charities that do have a clear theory of change and quantitative evidence on hard outcomes, economic analysis can be a powerful tool. It is a data-intensive exercise because it requires an estimate of the counterfactual (what would have happened without the charity's intervention) and data on costs—particularly unit costs (the financial cost to the charity of working with one person). To help with estimating a counterfactual, charities should collect baseline data on key indicators that influence the re-offending rate, such as age, time since release from prison and offending history.

Share your findings

Charities need to share findings so that evaluations are not just left to gather dust but are used both by the charity that carried out the evaluation and by other organisations. The Arts Alliance has recently produced an evidence library of evaluations completed by and for arts charities in the criminal justice sector, with the aim of turning this into an online library.² To submit research, please contact Stephen Nash at artsalliance@clinks.org.

Recommendation for funders

Fund what works

Our findings indicate that the arts could be a cost effective way to rehabilitate offenders. Of course, the arts are only part of the solution, but for some offenders, participating in the arts could be critical to improving their lives and ensuring that they do not re-offend. Funders should ensure that such opportunities are available.

Fund monitoring and evaluation

Funders should also ensure that promising approaches are properly monitored and evaluated. Our findings were not as conclusive as they could have been with better data. Funders often want charities to provide evidence of their impact, but they are not always prepared to pay for monitoring or evaluation. Improving the evidence for arts in the criminal justice sector is not the responsibility of charities alone. Many charities would benefit from flexible core funding to support monitoring and evaluation, as well as non-financial support, such as input on what outcomes to measure and how to measure them.

¹ Nevill, C. and Lumley, T. (2011) *Impact Measurement in the Youth Justice Sector*. New Philanthropy Capital.

² Angus McLewin Associates (2011) *Arts Alliance Evidence Library*. Arts Alliance.

Recommendations for government

Provide better access to re-offending data

Too few charities are currently able to access statutory re-offending data to provide evidence to commissioners and other funders that their activities are having an impact on re-offending. Many charities resort to following up with participants themselves. This is costly and not necessarily a good use of resources, and in some way it duplicates data collected by statutory agencies.

Charities that are able to access information in administrative records, such as the Police National Computer, are better able to track their impact. Pilots of charities accessing re-offending data have demonstrated that this is possible. Any charity can apply to the Police National Computer Information Access Panel to access data on participants' re-offending data, but this process is not systematically used. Charities often fall down at the first hurdle—not having participants' consent to access their data or not having the correct information to identify someone. The process needs to be made more systematic so that charities can demonstrate their impact on re-offending and the government can commission effectively.

Provide analysis to estimate a counterfactual

Many charities currently use average re-offending rates as the best available counterfactual. Randomised control trials and matched pair comparison may be appropriate for some charities, but they will be out of reach for many charities struggling with limited resources to demonstrate their impact.

The Ministry of Justice could improve this by providing more detailed analysis of its data. The compendium of reconviction statistics, which was first published in late 2010, is a good start, but it would be even better to have an online tool that would allow charities to find re-offending rates for groups that are similar to their caseload in terms of socio-demographic characteristics and offending history. This would allow charities to get a more appropriate counterfactuals than we have used here and would be a step-change in charities' ability to estimate what would have happened otherwise.

Update estimates on costs and benefits

In the analyses in this report, we have primarily relied on government research and cost data to estimate economic values. However, much of this information is either too old or too generic to allow for accurate estimates of economic benefits. Reliance on secondary research can also result in quirks in the analysis—for example, in the Clean Break analysis, we looked at benefits to more advanced qualifications over ten years because of the time period over which the available literature has considered the benefits to more advanced qualifications.

We understand that the Ministry of Justice recommends using Home Office estimates of the cost of crime in economic analyses. However, these estimates are not readily used as economic values. The Ministry of Justice could provide estimates of the average cost of a re-offence for different groups of offenders.

Table 13: How our recommendations address the limitations of the analysis

Limitation	Recommendation
Counterfactual estimate	For charities—improve your impact measurement For funders—fund monitoring and evaluation For government—provide analysis and data to estimate a counterfactual
Incomplete outcomes data	For charities—improve your impact measurement For funders—fund monitoring and evaluation For government—provide better access to re-offending data
Outcomes quantified in the analysis	For charities—improve your impact measurement For funders—fund monitoring and evaluation
Projection of future benefits and appropriate economic values	For government—update estimates on costs and benefits



Photograph supplied by Clean Break

Appendix A – Additional calculations for Clean Break analysis

[1] Cost of re-offending

We take a conservative approach to valuing re-offending and only consider the direct costs to the criminal justice system. There are two costs here: first, the cost of the offences leading to reconviction and second, if the reconviction results in prison sentence, the cost of prison, including sentencing.

On average, a female offender who re-offends within a year commits 3.664 offences leading to conviction.¹ Using Home Office data on the cost of crime, the Social Exclusion Unit estimated in 2002 that the average re-offence cost £13,000. This is equivalent to £16,044 in 2009/2010 prices. This means that the 3.664 offences committed by the average female offender cost £58,785.

If reconviction leads to a prison sentence, as it does for 38% of re-offenders, then we need to factor in the sentencing costs and the cost of prison.² In 2002 the Social Exclusion Unit estimated that the average cost of a prison sentence in a crown court was £30,500. This is equivalent to £37,641 in 2009/2010 prices. The annual cost of a women's prison is currently £56,415.³ Taking into account that these costs only apply to 38% of re-offenders, prison plus sentencing costs £35,741.

Taking these two costs together, we estimate that the annual direct cost to the criminal justice system of the average female re-offender is £94,526.

[2] Employment

The economic value that we use for a woman being employed at follow-up is the wages that she earns through that employment. We assume that women are earning wages according to their qualification level and that half are employed part-time. This is based on sample data. We use data from the Labour Force survey, given in Table 14.⁴

Table 14: Average wage by level of qualification

Level of qualification	Number of women at this qualification level	Full time annual gross wages	Part time annual gross wages
No qualifications	2	£15,846	£6,376
Below level 2 qualifications	7	£18,741	£7,556
Level 2 qualifications	2	£19,515	£8,587
Level 3 qualifications	6	£19,634	£8,320
Level 4 and above qualifications	3	£30,363	£13,635

To be conservative, we only look at one-year impact. We estimate that women who participate in Clean Break would earn a gross annual wage of £14,611.

¹ Ministry of Justice (2011) *Adult re-convictions: results from the 2009 cohort, England and Wales*.

² Ministry of Justice (2007)

³ Hansard HC, 4 April 2011, c641W

⁴ Labour Force Survey 2008. Figures above adjusted to 2009/2010 prices.

We use 2011/2012 figures from HM Revenue and Customs to estimate the amount that would be taken in income tax and National Insurance. These figures are given in Table 15.

Table 15: Income tax and National Insurance

Personal allowance, age under 65	£7,475
Basic rate of income tax	20%
Lower earnings limit	£102
Employees' primary Class 1 rate between primary threshold and upper earnings limit	12%

[3] More advanced qualifications gained in adulthood

We use a study that estimates the returns to qualifications gained in adulthood.¹ The study finds that a woman is earning 28% more seven years after gaining a Level 4 or 5 qualification than if she had remained with a Level 3 qualification. These returns are not realised immediately but steadily accumulate over the seven years.

Unfortunately, the study does not look at the returns to more advanced qualifications beyond seven years after gaining the qualifications. To be conservative, as we do not know whether these returns will persist, our analysis only considers the returns for seven years. Future earnings are assumed to increase at 3% above inflation a year.² They are then discounted at 3.5% per year.³ This gives us the wage premium of £18,102 to a Level 4 or 5 qualification. We use the figures given in Table 15 to estimate the amount taken in income tax and National Insurance.

¹ Blanden, J. (2010) *Measuring the Returns to Lifelong Learning*. Centre for the Economics of Education.

² Office for Budget Responsibility (2011) *Economic and fiscal outlook, March 2011*.

³ HM Treasury (2003) *The Green Book: Appraisal and Evaluation in Central Government*.

Appendix B – Additional calculations for Only Connect analysis

[4] Expected re-offending rate

It is impossible to know for certain how many members would have re-offended without Only Connect. However, the Ministry of Justice publishes national statistics on re-offending rates broken down by different categories of offenders. We can use this data to estimate how many of the 72 members released from prison we would have expected to re-offend.

Table 16 gives the age and time since release from prison breakdown of the 58 Only Connect members for whom we have re-offending data.

Table 16: Age and time since release from prison profile

		Time since release from prison						Total
		1 year	2 years	3 years	4 years	5 years	6 years	
Age range	18–20	1	1	0	2	0	0	4
	21–24	3	6	4	5	2	0	20
	25–29	5	3	3	0	1	1	13
	30–34	1	5	2	1	2	0	11
	35–39	1	3	0	0	1	1	6
	40–49	1	2	1	1	0	0	4
	50+	0	0	0	0	0	0	0
Total	11	20	11	9	6	2*	58	

*Only two women—all the others are men.

With this profile of Only Connect members, we use two Ministry of Justice publications to estimate the counterfactual of how many we would have expected to re-offend.^{1,2} Although the compendium of re-offending statistics contains re-offending rates over different follow-up periods, it does not break this down by age or gender. We therefore assume that the same pattern of re-offending to all ages and both genders.

Expected re-offending rates are given in Table 17.

Table 17: Re-offending rates by age and time since release from prison

		Time since release from prison					
		1 year	2 years	3 years	4 years	5 years	6 years*
Age range	18–20	47.28%	60.72%	68.02%	72.35%	75.23%	58.09%
	21–24	42.63%	54.75%	61.33%	65.23%	67.83%	62.72%
	25–29	42.29%	54.31%	60.84%	64.71%	67.29%	66.07%
	30–34	42.53%	54.62%	61.19%	65.08%	67.67%	65.19%
	35–39	38.25%	49.12%	55.03%	58.54%	60.86%	53.39%
	40–49	31.49%	40.44%	45.31%	48.19%	50.11%	43.08%
	50+	21.48%	27.58%	30.90%	32.87%	34.17%	23.72%

*For women

We then calculate a weighted average of these re-offending rates using the age and time since release from prison profile given in Table 17.

This gives an overall expected re-offending rate of 57.5%.

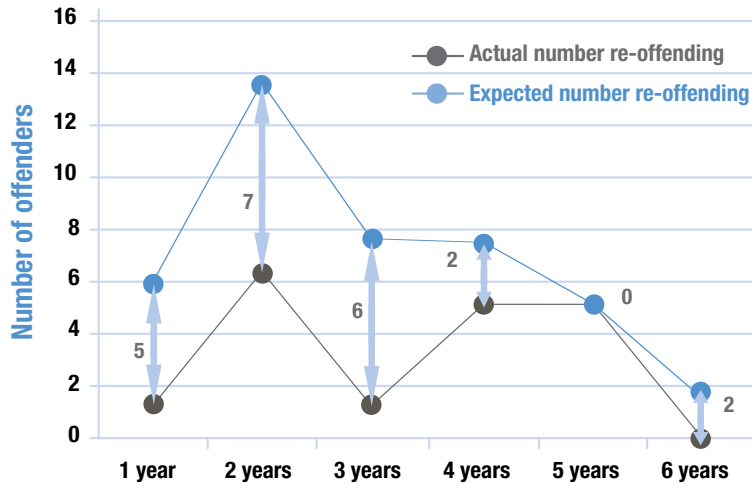
¹ Ministry of Justice (2011) *Adult re-convictions: results from the 2009 cohort, England and Wales*.

² Ministry of Justice (2010) *Compendium of reoffending statistics and analysis*.

[5] Expected number of offences

In the main report, we estimate that Only Connect prevents 22 offenders from re-offending. To estimate the average number of offences these offenders would have committed, we need to look at the number of years they have been prevented from re-offending. Five are prevented from re-offending after one year, seven after two years, six after three years, two after four years, none after five years and two after six years.¹ This data is illustrated in Figure 4.

Figure 4: Number re-offending over time



In its compendium of re-offending statistics, the Ministry of Justice publishes the reconviction frequency rates of re-offenders for different follow-up periods.² We can use these rates to estimate the total number of offences prevented. This is given in Table 18. Divided by 22, this gives the estimate of the average number of offences prevented of seven.

Table 18: Reconviction frequency rates over different follow-up periods

Follow-up period	Number of offenders prevented from re-offending	Number of offences prevented per offender	Total number of offences prevented
1 year	5	4.302	20
2 years	7	6.289	45
3 years	6	8.054	51
4 years	2	9.613	23
5 years	0	10.835	0
6 years*	2	11.848	18
Total	22	N/A	157

* For women

¹ One of the reasons for this decline is that Only Connect has worked with fewer offenders who have been released for more years.

² Ministry of Justice (2010) *Compendium of reoffending statistics and analysis*.

Appendix C – Additional calculations for Uritas Summer Arts Colleges analysis

[6] Cost of offending

We work out the cost of an offence in two steps. First, the Youth Justice Board has published data on the categories of offences that commonly result in different types of pre-court and court sentences.¹ This data shows that the five most common types of crime that result in a supervision order are violence against the person, theft and handling, breach of statutory order, robbery and domestic burglary.

Second, young people who re-offend do not tend to commit the same type of crime as their original offence. However, the Ministry of Justice publishes data on the type of re-offences that young people commonly commit, broken down by their original offence.² From this we establish the most common types of re-offences that young people on supervision orders commit.

We are able to assign a Home Office estimate of the average cost of crime to 58% of re-offences. We therefore weight the proportions to include only those offences for which we have an average cost of crime. This assumes that the offences we leave out cost no more or less than the average cost. These calculations are given in Table 19.

Table 19: Cost of re-offences

Type of crime	Proportion of re-offences	Average cost	Weighted average
Violence	34%	£11,624	£3,924
Robbery	6%	£7,478	£422
Domestic burglary	8%	£3,441	£276
Theft	25%	£960	£243
Taking and driving away and related offences	5%	£4,738	£242
Theft from vehicles	2%	£993	£24
Criminal or malicious damage	20%	£1,000	£197
Total	100%	N/A	£5,329

This allows us to calculate a weighted average cost of these re-offences using the Home Office cost of crime estimates. We estimate that the average cost to society of one crime committed by a young person on a supervision order is £5,329.

¹ Youth Justice Board (2008) *Youth Justice Annual Workload Data 2007/08*.

² Ministry of Justice (2010) *Re-offending of juveniles: results from the 2009 cohort, England and Wales*.

[7] Wage premium to improved skills

We need to estimate the difference that having Level 1 literacy or numeracy skills makes to lifetime earnings from age 16 to 65. A 2005 Department for Education and Skills report estimates the impact of improved literacy or numeracy skills on an individual's lifetime earnings.¹ These estimates are given in Table 20.

Table 20: Earnings premium for improved basic skills

	Literacy	Numeracy
From Entry level 2 or below to Entry level 3	10%	13%**
From Entry level 3 to Level 1	12%*	6%*

*Significant at 5% level; ** Significant at 1% level

Someone with Level 1 literacy skills will earn on average 12% more than someone with Entry level 3 literacy skills. Someone with Level 1 numeracy skills will earn on average 6% more than someone with Entry level 3 numeracy skills.

We assume that having Level 1 skills implies earnings equivalent to the UK median of £21,310 per year.² This implies that someone with Entry level 3 literacy skills earns £19,027 per year, or £2,283 less per year than someone with Level 1 literacy skills. Similarly, someone with Entry level 3 numeracy skills earns £20,104 per year, or £1,206 less per year than someone with Level 1 numeracy skills.

We assume that this earning differential persists as long as the person has poor literacy or numeracy skills. Evidence suggests that many individuals do improve their basic skills in adulthood. Data from the British Cohort Survey 1970 indicates that 60% of people with poor literacy skills at age 21 had good literacy skills at age 34. Similarly, 56% of people with poor numeracy skills at age 21 had good numeracy skills at age 34.³

We therefore estimate that 28 young people (60% of 46) would have improved their literacy skills by age 34 and 19 young people (40% of 46) would have had literacy difficulties for their working lives. We estimate that 23 young people (56% of 42) would have improved their numeracy skills by age 34 and 19 young people (44% of 42) would have had numeracy difficulties for their working lives.

Future earnings are assumed to increase at 3% above inflation a year.⁴ They are then discounted at 3.5% per year.⁵ This gives us the wage premiums given in Table 21.

Table 21: Wage premiums to improved literacy and numeracy skills

	Until age 34	For a lifetime
Literacy	£39,453	£101,637
Numeracy	£20,843	£53,695

Taking the chance of literacy skills improving into account, we estimate that the average young person who improves literacy to Level 1 will earn £64,326 more over his or her working life. Taking the chance of numeracy skills improving into account, we estimate that the average young person who improves numeracy to Level 1 will earn £35,955 more over his or her working life. We use the figures given in Table 15 to estimate the amount taken in income tax and National Insurance.

¹ Grinyer, J. (2006) *Literacy, numeracy and the labour market: further analysis of the Skills for Life survey*. Department for Education and Skills.

² Office for National Statistics (2009) *Annual Survey of Hours and Earnings*.

³ Bynner, J. and Parsons, S. (2006) *New Light on Literacy and Numeracy*. National Research and Development Centre for adult literacy and numeracy.

⁴ Office for Budget Responsibility (2011) *Economic and fiscal outlook, March 2011*.

⁵ HM Treasury (2003) *The Green Book: Appraisal and Evaluation in Central Government*.

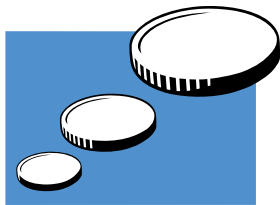
Appendix D – Differences between analyses

	Clean Break	Only Connect	Unitas
Type of service user	Women	Predominantly men	Young people
Sample for analysis	All 31 women who graduated from Clean Break in July 2009	All 72 members to date who have been released from prison	For offending: All 323 young people who started Summer Arts College in summer 2009 For literacy and numeracy: All 262 young people who finished
Completeness of data	Follow-up possible with 20 women (65%)	Re-offending data available for 58 members (81%)	Offending data available for 323 young people (100%) Literacy and numeracy data available for 248 young people (95%)
Outcomes quantified in analysis	More advanced qualifications and employment; re-offending	Re-offending	Re-offending; literacy and numeracy improvements
Who gets economic benefit	Higher income to individual; tax and benefit gain to state; savings to criminal justice system	Savings to criminal justice system	Savings to criminal justice system; higher income to individual; tax and benefit gain to state
Time period for economic benefit	Seven years for more advanced qualifications (prospective); one year for employment (prospective); one year for re-offending (retrospective)	Time since release from prison for re-offending (retrospective)	Tracking period during and after programme—18 weeks (retrospective); over next 18 years for some and over lifetime for the rest (prospective)
Counterfactuals used	None (more advanced qualifications); average female employment rate on release from prison (employment); national female average re-offending rate (re-offending)	National average re-offending rate based on age, gender and time since release from prison (re-offending)	Before-after comparison (re-offending); none (literacy and numeracy improvements)

Appendix E – Acknowledgements

We are grateful to the following individuals and their organisations for their input into this report.

Clean Break	Lucy Perman, Jacqueline Stewart, Tracey Anderson, Elly Shepherd, Anna Herrmann
Only Connect	Danny Kruger, Kate Renshaw
Unitas	Jo Jamieson
Arts Council England	Kate Attard
Ministry of Justice	Jenny Cann, Gregg Dyer
Arts Alliance	Nathan Dick, Stephen Nash



New Philanthropy Capital

New Philanthropy Capital (NPC) is a charity consultancy and think tank dedicated to helping funders and charities to achieve a greater impact.

We provide independent research, tools and advice for funders and charities, and shape the debate about what makes charities effective.

We have an ambitious vision: to create a world in which charities and their funders are as effective as possible in improving people's lives and creating lasting change for the better.

For charities, this means focusing on activities that achieve a real difference, using evidence of results to improve performance, making good use of resources, and being ambitious to solve problems. This requires high-quality leadership and staff, and good financial management.

For funders, this means understanding what makes charities effective and supporting their endeavours to become effective. It includes using evidence of charities' results to make funding decisions and to measure their own impact.

New Philanthropy Capital

Third floor
185 Park Street
London, SE1 9BL

t: +44 (0)20 7620 4850

f: +44 (0)20 7620 4851

e: info@philanthropycapital.org

www.philanthropycapital.org