

Department of Corrections **Annual Report** 1 July 1999 – 30 June 2000

# annual report

**VISION** The Department's vision is to:

# VISION

be a cost-effective provider of corrections services

---

have the New Zealand public's understanding and confidence

---

be recognised for our expertise in contributing to community safety and reducing re-offending.

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**CRITICAL TO ACHIEVING SUCCESS ARE:**

---

a strategic focus

---

responsiveness to addressing the needs of Māori offenders

---

open communication

---

a clear accountability framework

---

investment in the development of staff and managers.

Department of Corrections **Annual Report** 1 July 1999 – 30 June 2000

Presented to the House of Representatives Pursuant to Section 39 of the Public Finance Act 1989



DEPARTMENT  
OF CORRECTIONS



## Foreword

In accordance with section 39 of the Public Finance Act 1989, I submit the following report on the operations of the Department of Corrections for the period 1 July 1999 to 30 June 2000. This includes audited financial statements and covers the Department's administration of the Penal Institutions Act 1954, associated Regulations, and the Criminal Justice Act 1985 for this period.

A handwritten signature in black ink, appearing to read 'Mark Byers', with a long horizontal flourish extending to the right.

**Mark Byers**

*Chief Executive*

# Contents

## PART A Departmental Scene Setting

Chief Executive’s Overview	8
Overview of the Department	11
Key Result Areas (including Closing the Gaps)	15
Key Statistics and Trends	27
Recidivism Index	33

## PART B Purchaser/Owner Interest

STATEMENT OF RESPONSIBILITY	38
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### STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

Output Class 1: Information Services	39
Output Class 2: Community-based Sentences and Orders	46
Output Class 3: Custodial Sentences	55
Output Class 4: Rehabilitative Programmes	64
Output Class 5: Inmate Employment	77
Output Class 6: Custody of Remand Inmates	83
Output Class 7: Escort and Custodial Supervision Services to Courts	85
Output Class 8: Policy Advice and Development	87
Output Class 9: Contract Management Services	91

### FINANCIAL SUMMARY

Statement of Accounting Policies	98
Statement of Financial Performance	104
Statement of Movements in Taxpayers’ Funds	105
Statement of Financial Position	106

Statement of Cash Flows	107
Reconciliation of Net Surplus to Net Cash Flow from Operating Activities	108
Statement of Commitments	109
Statement of Contingent Liabilities	110
Statement of Unappropriated Expenditure	110
Statement of Departmental Expenditure and Appropriations	111
Statement of Trust Monies	112
Notes to the Financial Statements	113
<b>REPORT OF THE AUDIT OFFICE</b>	123
 <b>PART C Management Interest</b>	
Capital Projects	126
Information Technology	127
Human Resource Management	130
Public Service Ethics and Integrity	132
Statutory and Advisory Board Reports	132
 <b>PART D Additional Information</b>	
Legal Responsibilities	138
Public Reports	139
Terms and Definitions	140
Corrections Facilities' Locations	146

# Figures

Figure 1: International Comparison of Unnatural Deaths in Custody	29
Figure 2: Deaths in Custody in New Zealand	29
Figure 3: International Comparison of Inmate-on-inmate Assaults in Custody	30
Figure 4: Inmate-on-inmate Assaults in Custody in New Zealand	30
Figure 5: International Comparison of Total Escapes from Prison	31
Figure 6: Total Escapes from Prison in New Zealand	31
Figure 7: International Comparison of Cost per Day	32
Figure 8: Recidivism Index Reporting	35
Figure 9: International Comparison of Re-offending Statistics	36



# PART A

## Departmental Scene Setting

**CHIEF EXECUTIVE'S OVERVIEW**

**OVERVIEW OF THE DEPARTMENT**

**KEY RESULT AREAS (INCLUDING CLOSING THE GAPS)**

**KEY STATISTICS AND TRENDS**

**RECIDIVISM INDEX**

## Overview from the Chief Executive

The Department continued to make progress through a focus on four key strands. This overview highlights the year's progress.



### INTEGRATED AND EFFECTIVE OFFENDER MANAGEMENT

An integrated approach to the management of offenders is a key element of departmental activity. The Integrated Offender Management (IOM) project represents a new approach to the effective management of offenders. Three significant advances in IOM were made:

- the IOM design stage has been substantially completed and the Department is now moving into the implementation phase
- new offender assessment procedures were trialled and evaluated. Once introduced nationally, the procedures will enhance offenders' assessment. Resources can then be better targeted to the rehabilitative needs of the highest risk offenders
- the development of new programmes for inmate rehabilitation, for example the National Certificate in Employment Skills, two new specialist Drug and Alcohol Treatment Units and driving offender treatment programmes. The EQUIP programme is being introduced at two new specialist Youth Units for youth under 17 and vulnerable youth aged 17 to 19 years.

Home detention also came into force in October 1999. It allows eligible offenders to serve their sentences outside prison under electronic surveillance, with individual supervision by Probation Officers. The first year of operation went well and the target of having 300 new starts joining the programme was reached by June 2000.

**REDUCING RE-OFFENDING BY MĀORI** This is a crucial area of focus for the Department, and one in which further gains have been made in the 1999/2000 year.

New programmes for Māori offenders have been developed and a third Māori Focus Unit was opened. Tikanga Māori programmes have also been expanded in a number of localities.

Staff cultural understanding and responsiveness is essential to support these initiatives. The Framework to Reduce Māori Offending (FReMO) and draft Treaty of Waitangi policy statement have been developed to this end.

**RESPONDING TO INCREASED DEMAND** The Department needs to ensure it is able to meet forecast increase in demand for services.

The Department completed building Auckland Central Remand Prison (ACRP), the first new prison to be built in New Zealand since 1989. Commissioning of the new prison will occur in 2000/01.

The new Paparua Remand Unit was operating at full capacity by mid-November 1999.

The Department also provided assistance to the East Timorese prison system. A team of Corrections officers trained local staff, refurbished two prisons and increased capacity in the prisons. The work by the Department has been positively received by both the United Nations and the East Timorese.

**ENHANCED ORGANISATIONAL CAPABILITY** The Department continued to focus on improving its organisational capability. This included:

- introducing a Future Leaders Programme to assist the development of new departmental managers. The first programme focused upon Māori staff. The Public Prisons Service commenced implementation of a new career structure for Corrections officers and undertook a very successful skills audit that will drive training needs in subsequent years

- passing all key Year 2000 dates without incident or disruption to systems. All Information Technology systems were made Year 2000 compliant and other critical systems were also checked and upgraded if there was any risk. Business continuity plans were developed, to enable all key functions within the Department to operate in isolation if any problems were to arise. The plans were developed, tested and successfully implemented across the Department.

**CONCLUSION** Improvements in operational performance have also been made and I would draw attention to the reduction over recent years to the rates of escape. The Department has laid a strong foundation in the last five years and has now produced a suite of strategic Business Plans to take us forward over the next three years.

I am proud of the efforts of the Department's people over the period. It has been a demanding time and much has been accomplished – although there is more to do. They have my and the Senior Management Team's congratulations and thanks.



**Mark Byers**

*Chief Executive*

## Overview of the Department

**PURPOSE** The Department of Corrections manages custodial and non-custodial sentences imposed by the courts. This includes prison sentences, periodic detention, home detention, community service and supervision. The Department also administers the Parole Board and District Prisons Boards and provides information to the judiciary.

The Department is working towards reducing re-offending through the effective management of:

- provision of information
- community-based sentences and orders
- custodial sentences
- rehabilitation programmes and reintegrative services
- inmate employment
- escort and custodial supervision services to courts
- custody of remand inmates
- policy advice and development
- contract management services (service, purchase and monitoring).

**STRUCTURE** The Department employs close to 4,500<sup>1</sup> staff (approximately 3,840 Full Time Equivalents) working in a number of sites around the country. These sites include 17 Public Prisons institutions, the Auckland Central Remand Prison which is managed by Australasian Correctional Management Pty Limited, 15 Community Probation Service area offices and 143 service sites,<sup>2</sup> eight Psychological Service offices, nine Special Treatment Units<sup>3</sup> and head office.

<sup>1</sup> Including approximately 566 work party supervisors who are employed on a part-time basis.

<sup>2</sup> Service sites include service centres, reporting centres and periodic detention centres.

<sup>3</sup> The Special Treatment Units consist of three Drug and Alcohol Units, two Sex Offender Treatment Units, three Māori Focus Units and one Violence Prevention Unit.

The Department of Corrections consists of eight services and groups.

The *Public Prisons Service (PPS)* is responsible for the safe, secure and humane containment of sentenced and remand inmates. Sentenced inmates are those imprisoned following conviction. Remand inmates are those who have been charged with an offence and are being held in custody pending pleas, trial, or sentencing. The Service is also responsible for managing the sentence needs of each offender, including rehabilitation and reintegration.

The *Community Probation Service (CPS)* provides information and reports to judges (to help them sentence offenders) and supplies information to the National Parole Board (NPB), District Prisons Boards (DPB) and prison management. The Service manages community-based sentences and orders such as supervision, community service, community programmes, periodic detention, home detention, and parole orders and the reintegration of offenders into the community; it also administers funding to providers of community-based programmes.

The *Psychological Service* provides specialist clinical treatment and advice for offenders, and training and education for departmental staff and community groups. A large number of research projects are also undertaken. As IOM Champion, the Service also has the role of overseeing quality assurance of the IOM initiative.

The *Service Purchasing and Monitoring Group* is responsible for purchasing corrections services from both internal and external providers. As part of this role, the Group monitors compliance with key operational and strategic standards. It establishes and monitors national systems that all providers are required to operate.

The *Policy Development Group* provides strategic analysis and policy advice. It evaluates and develops effective corrections services and establishes quality standards for service delivery.

The *Strategic Development Group* provides specialist advice and services to help run the Department. These include information technology, human resources, planning and communications.

The *Finance Group* provides a range of financial and property advice and support services to the Department. The Group also incorporates Corrland, which manages four farms and three forests along with a range of associated activities throughout New Zealand, allowing inmates to work and receive training in farm and other agri-business under the supervision of Corrections officers.

*Internal Audit* provides assurances to the Chief Executive on key statutory accountabilities and oversees the implementation of the risk management framework. It reviews the systems and procedures in the Department and provides advice to the Chief Executive. Through the Inspectorate, it also provides assurance to the Chief Executive on the fair, safe, secure and humane treatment of offenders.

The Department also has in place a number of contracts for the provision of services with private providers. These include Australasian Correctional Management who manage the recently built Auckland Central Remand Prison and Chubb New Zealand Limited who provide prisoner escort and courtroom custodial services in the Auckland and Northland regions.

## Senior Management Structure





## Key Result Areas

The Department of Corrections contributes to the Government's criminal justice goals by contributing to safer communities through:

- appropriate compliance with, and administration of, sentences and orders issued by the criminal justice system
- reducing re-offending.<sup>4</sup>

Within this framework, the Department undertook a number of initiatives beyond business-as-usual. These initiatives were defined in the Department's Key Result Areas (KRAs) for the 1999/2000 financial year. Progress towards the achievement of those KRAs is noted below.

### KRA 1: Integrated and Effective Offender Management (IOM)

The development of IOM is the single biggest initiative the Department has undertaken to reduce re-offending.

The new assessment procedures of IOM were trialled and evaluated during the year, and the specifications for sentence planning and sentence management were also completed. Development and piloting over the last two years mean that the design of IOM is basically complete. Implementation planning has commenced, with the intention of having IOM installed progressively throughout the country over the next two years.

Trials of various programmes associated with IOM were undertaken during 1999/2000, including the piloting of the National Certificate of Employment Skills (NCES) in Manawatu and Wanganui Prisons.

<sup>4</sup> *Department of Justice Review: Stage Two*, Memorandum for Cabinet Strategy Committee, 5 December 1994.

**OFFENDER REHABILITATION** Successful implementation of the Straight Thinking programme was completed during the year, including the recruitment and training of a full complement of coaches. Additionally, two new units specifically dedicated to intensive drug treatment programmes were opened.

**HOME DETENTION** Following the passing of legislation to allow for the introduction of home detention, a number of measures were undertaken to facilitate its implementation. Staff training on home detention procedures and additional CRIMPS training (a course addressing motivational interviewing, problem solving and relapse prevention) was delivered. District Prisons Board processes were updated to ease the implementation of home detention, and all necessary equipment was purchased and in place, before the Criminal Justice Amendment Bill came into effect on 1 October 1999.

*Ros Lousley,  
Service  
Manager  
(Community  
Probation  
Service)  
Dunedin,  
demonstrates  
the operation  
of a home  
detention  
anklet.*



**INMATE TELEPHONE MONITORING** The Department reported to both the Minister and the Justice and Law Select Committee, regarding proposed legislation to provide for the monitoring of inmate telephone calls. Since this legislation was passed in October 1999, the Department has begun the process of implementing telephone monitoring. Negotiations are continuing to ensure the preferred supplier's compliance with the Cabinet decision on the monitoring system.

**YEAR 2000** Business continuity plans were completed and tested for all sites, with particular focus on the maintenance of essential services in prisons and the management of the head office operations centre. The State Services Commission was kept informed of events.

Both the new year and leap year dates passed without incident or disruption to any of the Department's systems.

## **KRA 2: Recognition of the Particular Needs of Māori in Terms of Reducing Re-offending**

Māori are not only over-represented in the offender population, but are also over-represented in the highest risk population (that is, those most likely to re-offend). This KRA seeks to redress this imbalance by implementing rehabilitative interventions, the success of which can be measured for effectiveness.

**REHABILITATIVE PROGRAMMES** The Psychological Service's Bi-cultural Therapy Model (BTM) integrates essential elements of tikanga Māori and psychological interventions to guide effective treatment of Māori offenders. The first year's operation of the BTM was reviewed during the year. The BTM has been responsible for the development of a positive working relationship between the Psychological Service, iwi and Māori providers.

A third Māori Focus Unit was opened at New Plymouth Prison. Such units rely on tikanga Māori to engage and motivate Māori offenders to address their offending needs. The units deliver Māori-based therapeutic programmes covering drug and alcohol treatment, violence prevention and relationship management. The provision of tikanga Māori programmes to other prison sites was extended during the year. The Community Probation Service delivered seven Te Wairua O Nga Tangata programmes during the year, and an evaluation process of these programmes is currently underway. Components of these programmes address violence prevention.

**MĀORI SERVICE PROVIDERS** A protocol agreement has been entered into with Te Puni Kōkiri (TPK) concerning the development of assessment proposals for applications by Māori Service Providers to TPK's Māori Provider Development Fund. A stocktake of all Māori providers and required Māori provision was also completed during the year. This will aid the Department to identify programmes to fit within the IOM process and/or providers that may need development.

*The Hawkes Bay Regional Prison Māori Focus Unit.*



## COMMUNITY PROBATION SERVICE MĀORI STRATEGIC PLAN

The Community Probation Service's Māori Strategic Plan, *Strategic Plan to Address Māori Issues 2000–2003*, was completed during the first quarter. The plan includes more specific and measurable milestone information, and was launched at the National Māori Staff Hui on 29 March 2000.

Work on the development and implementation of both the short- and medium-term strategies, as outlined in the Community Probation Service's Strategic Plan, was completed during the year. The He Tete Kura Mana Tangata programme, developed for Māori periodic detainees and focusing on tikanga-based violence prevention, was launched in June 2000.

## Closing the Gaps

The Government is determined to close economic and social gaps that have developed between Māori and Pacific peoples and other New Zealanders. "Closing the Gaps" initiatives seek better economic and social outcomes for Māori and Pacific peoples.

Māori, and increasingly Pacific peoples, are significantly over-represented in the offender population. Given forecast changes in the New Zealand population, and if current conviction and sentencing rates continue, by 2013 an additional 1,847 Māori and 450 Pacific peoples would be imprisoned. A further 5,468 Māori and 1,658 Pacific peoples would receive community-based sentences. By contrast, the number of Europeans and other ethnic groups in custodial and community-based sentences would decline.

Evidence from overseas jurisdictions suggests that tailoring programmes to the cultural needs of indigenous peoples increases their effectiveness in reducing re-offending. The Department's goal is to reduce re-offending through developing specific services for Māori and Pacific peoples and ensuring that generic services take account of the particular needs of these groups. The primary focus to date has been on Māori because of their extreme over-representation in the offender population and because of their status as Treaty partner.

Specific programmes to ‘close the gaps’ during 1999/2000 were:

- Integrated Offender Management – development of tools and instruments to address re-offending by Māori and Pacific peoples, including a targeting framework, specifications for cultural assessments, and a Māori Cultural Related Needs Index;
- Māori Focus Units – specialist units catering for Māori offenders. The third Māori Focus Unit opened during 1999/2000. Outcome evaluations examining the effects of re-offending are to be undertaken during 2000/01;
- Tikanga Māori programmes – the New Life Akoranga programme run by Mahi Tahi Trust, Mau Rakau programme run by Mita Mohi and Mauranga Tipua programme run by Aotea Associates are prison-based programmes which use Māori philosophy, values, knowledge and practices to change the thinking and behaviour of Māori offenders;
- Te Wairua O Nga Tangata Programme – a rehabilitation programme delivered by the Community Probation Service, based on tikanga Māori principles. The course runs on a marae with support from runanga and introduces offenders to tikanga Māori;
- He Tete Kura Mana Tangata Programme – a marae-based violence prevention programme that has been developed using the principles of tikanga Māori. The Community Probation Service delivers the programme to Māori offenders serving a sentence of periodic detention;
- extension of the Bi-cultural Therapy Model – allows Māori offenders access to both Western and Māori therapeutic resources.

These developments are supported by human resource strategies to assist staff to work effectively with Māori and Pacific peoples:

- scholarships for Māori staff to undertake university study and implementation of a Future Leaders Programme for Māori staff
- development of staff-awareness tikanga programmes
- establishment of a Chief Executive’s Māori Advisory Group.

All of Corrections' mainstream activities have been, or will be, reviewed in terms of their relevance and effectiveness for Māori and Pacific peoples. The Department has introduced a Framework to Reduce Māori Offending (FReMO) against which all policy and service development is to be assessed. In addition all new services are required to demonstrate a capacity to work effectively with Māori and Pacific peoples.

The effectiveness of departmental initiatives to 'close the gaps' will be measured using the Recidivism Index and the Rehabilitation Quotient. This is addressed in more detail on page 33 of this report.

The Department estimates that during 1999/2000, \$190.1 million was spent on Māori against a possible budget (derived from approximating 50 percent of the total baseline) of \$191.1 million. Similarly \$35.6 million was spent on Pacific peoples against a possible budget (derived from 9.5 percent of the total baseline) of \$35.8 million.

Expenditure against established categories:

For Māori -

- 1.5 percent of overall expenditure and 3 percent of Māori expenditure was targeted solely at improving outcomes for Māori
- 3.5 percent of overall expenditure and 7 percent of Māori expenditure was targeted at intending to improve outcomes for at-risk groups, but not targeted specifically at Māori
- 45 percent of overall expenditure and 90 percent of Māori expenditure was targeted at Māori not covered by the above two established categories.

For Pacific peoples -

- 0.7 percent of overall expenditure and 7.2 percent of Pacific peoples' expenditure was targeted at intending to improve outcomes for at-risk groups, but not targeted specifically at Pacific peoples
- 8.7 percent of overall expenditure and 92.8 percent of Pacific peoples' expenditure was targeted at Pacific peoples not covered by the above category.

### KRA 3: Management of Serious Young Offenders to Reduce Re-offending

The Department is committed to improving the safe management of Serious Young Offenders, and developing strategies to address the causes of their re-offending. Of the inmates included in the 1999 Prison Inmate Census,<sup>5</sup> 56 percent were first imprisoned before they were 20 years old. Over 8 percent of the current offender population is aged 17-20 years.<sup>6</sup> During the 12 months following their release, over 70 percent of these offenders are reconvicted and over 46 percent are reimprisoned.

**SERIOUS YOUNG OFFENDERS** Specialist Youth Units opened at Hawkes Bay Regional Prison and Waikeria Prison during the year to accommodate those who have been assessed as vulnerable; both Units are fully staffed and operational. A vulnerability assessment tool, developed to assist with the determination of admissions to the Youth Units, is used at both sites.

### KRA 4: Inmate Employment

The Department has developed inmate employment initiatives with the aim of assisting offenders to maintain or promote work habits and skills. Such initiatives are designed to increase offenders' chances of finding work post-release, and to assist with their reintegration into society. Responsibility for inmate employment lies with the Public Prisons Service and Corrland, which manages the Department's farms and forests.

**IMPLEMENT INMATE EMPLOYMENT POLICY** A key focus during the year, expansion of inmate employment has seen the overall target for inmate employment opportunities exceeded. In undertaking inmate employment ventures the Inmate Employment Advisory Committee and the Department seek to avoid engaging operations which could displace any private sector business returns.

<sup>5</sup> *Interim Results of Prison Inmate Census 1999*, Department of Corrections.

<sup>6</sup> *ibid.*



## KRA 5: Implementation of a Contract Management and Monitoring Regime

### DEVELOPMENT OF A CONTRACTING AND MONITORING

**FRAMEWORK** The Department introduced an Annual Accountability and Purchasing Process, which was trialled and subsequently refined during the year. The aim was to align external and internal accountability processes. A key element which also evolved during the year, relates to reporting and monitoring; significant improvement is envisaged with a more simplified and collaborative approach to identified difficulties.

Construction of the Auckland Central Remand Prison was completed during the year and is due to receive inmates in July 2000. Australasian Correctional Management provides contract management of the prison. Chubb New Zealand Limited continues to provide escort services in the Auckland and Northland regions.

## KRA 6: Investment in our Staff

Staff development is essential to sound management. The success of this KRA depends on a number of human resource initiatives, such as career development and succession planning.

**STAFF TRAINING AND DEVELOPMENT** A skills audit of Corrections officers was completed during the year. This process assessed Corrections officers against the new level three and four qualifications in Offender Management. A training plan was also developed for Corrections officers, based on the outcome of the audit, which provides for training to enable the completion of these qualifications.

The first review of the Performance Management System for Corrections officers took place during the last quarter; and a Competency and Performance Pay System was implemented for all Community Probation Service Probation Officers and Administration officers.

An evaluation of Professional Supervision was completed by the Community Probation Service during the second quarter of the year. A number of resultant recommendations were made, and implementation of these has commenced.

Appointments to the positions of Principal Corrections Officer and Senior Corrections Officer occurred at Auckland Prison, Hawkes Bay Regional Prison and Waikeria Prison, with the remaining appointments scheduled for the first half of 2000/01.

Directories on training programmes and job descriptions for the Department were launched during the year. A new training curriculum has been developed and is available to all managers. The Department monitors its human capital investment by way of quarterly reporting against annual targets.

**ENHANCE CAPABILITY AND RESPONSIVENESS** Career planning workshops and self-paced planning programmes for managers and staff were successfully implemented during the year, with the aim of improving the Department's staff capability. A succession-planning framework has also been implemented. This will enable the Department to identify individuals capable of progressing to more senior management positions, establish development programmes and introduce a mentoring programme.

The pilot of the Future Leaders Programme has been a particular focus during 1999/2000. The initial aim of the Programme is to improve the representation of Māori staff in management. Thirteen staff are participating in a two-year development programme which provides a broad range of training, mentoring and on-the-job activities to support the development of management skills.

## KRA 7: Effective Management of the Use and External Communication of Information

This KRA relates to the provision of appropriate and accurate information. The strategic management and effective communication of such information is essential in order to maintain the Department's vision of having the New Zealand public's understanding and confidence.

**STRATEGIC INITIATIVES** A suite of strategic documents was completed during the year, following consultation with the Minister and central and justice agencies. The documents outline the Department's strategic direction for the next three to eight years, and were tabled with the Law and Order Select Committee earlier this year.

The Department is also actively involved in providing ongoing support to the justice sector to ensure the transition from the Wanganui Law Enforcement System (LES) is achieved.

## KRA 8: Ensuring Security and Safety of Offenders Held in Custody

Departmental facilities must reflect the Department's desire to provide secure and humane containment. During the past year the Department's building programme has included both prison-based accommodation to meet increasing forecast numbers and community-based facilities to consolidate Community Probation Service centres.

**REGIONAL PRISONS PROGRAMME** A site for the new Northland Region Corrections Facility was purchased during the year. Design work on the prison is proceeding in tandem with the Resource Management Act consents process. The Government has also given agreement for the funding and purchase of sites in Otago and South Auckland, and for a women's prison to serve Auckland and the northern half of the North Island.

## PRISON FACILITIES

- The Paparua Remand Unit was operating efficiently and at the full contracted capacity by the second quarter of the year.
- The scope of the Safe Cells Project has been enlarged. Progress has reached the point where the original project has been completed, however compliance with the Department's policy standards and procedures<sup>7</sup> requires significantly larger investment and additional facilities are proceeding according to budget availability. The Te Atawhai at-risk unit at Wanganui Prison was opened in June 2000.
- Both the Addington and Wanganui City Prisons were decommissioned and sold during the 1999/2000 year.

**PRISONS' SECURITY REVIEW** The perimeter security fence project resulted in new fences around Manawatu Prison, Auckland West Prison and the Youth Units at Hawkes Bay Regional Prison. Fencing was also largely completed at Christchurch Prison and Waikeria Prison. A new control room facility at Auckland East Prison is fully operational.

**PRISONS' DEFERRED MAINTENANCE** A major study into the level of deferred maintenance and statutory non-compliance on prison buildings was completed. Funding from the 2000 Government Budget process means that the Department can commence addressing some of these issues. Further progress was made on the multi-year security upgrade of prison sites.

**IMPROVED FACILITIES** A new property management system to schedule and record maintenance and property inspection was introduced.

**CONTROL OF DRUGS AND GANGS** A new visits management system was developed and implemented in a number of medium security sites during the year and roll-out is due to be completed by the end of the calendar year.

<sup>7</sup> Section B14, *Inmates At Risk to Themselves*, of the Public Prisons Service Policy and Procedure Manual refers.

## Key Statistics and Trends

The Department spent \$380 million (GST exclusive) in the 1999/2000 year managing an average of 4,956 custodial and 40,518 community-based sentences and orders. The following statistics provide some background information on the profile of the New Zealand inmate population.<sup>8</sup>

### *Inmate Demographics and Ethnicity:*

- inmate numbers grew by 33 percent between 1991 and 1999; an average growth of 4.2 percent per annum
- 96 percent of the prison population was male
- 57 percent of the female prison population was Māori (increase of 8 percent) and 9 percent were Pacific peoples
- 48 percent of the male prison population was Māori and 10 percent were Pacific peoples
- 51 percent of the male prison population was below 30 years of age
- 10 percent of the Māori inmate population was below 20 years of age and 11 percent of Pacific peoples' inmate population was below 20 years of age
- the proportion of inmates 40 years and older increased by 53 percent between 1991 and 1999.

### *Offender History and Categories:*

- for male sentenced inmates, 21 percent were serving a sentence for up to one year, 28 percent were serving a determinate sentence of more than five years and 6 percent were serving life imprisonment
- 39 percent of sentenced inmates were in prison for violent offences
- nearly one quarter of male inmates had sexual violence as the major offence

<sup>8</sup> Source: *Interim Results of Prison Inmate Census 1999*, Department of Corrections.

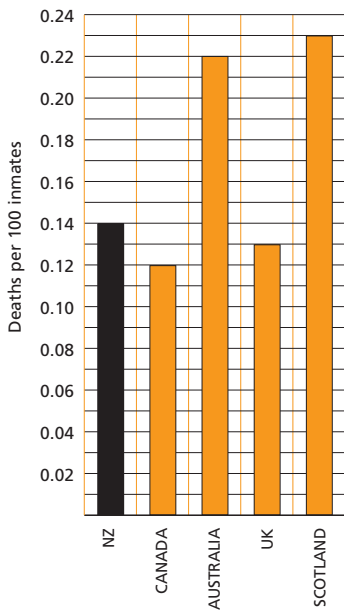
- 41 percent of females in prison were in for violent robbery and 31 percent for homicide. Both these statistics for females were greater than for males
- 14 percent of inmates were in protective custody
  - 99 percent of these were males
- 17 percent of sentenced male inmates had no previous convictions, 52 percent had at least six previous convictions and 10 percent had more than 20 previous convictions
- previous major offences for inmates with an offending history, for males and females were
  - property (36 percent, 42 percent)
  - violence, including sex (27 percent, 15 percent)
  - traffic (21 percent, 15 percent)
- 7 percent of male inmates and 11 percent of female inmates were in prison for traffic offences
- 32 percent of males and 15 percent of females had received a custodial sentence as their previous sentence
- 65 percent of males received their first custodial sentence before they were 20 years old
- 76 percent of males and 69 percent of females left school with no educational qualifications.

**DEATHS IN CUSTODY** The corrections system has to deal with a high proportion of people with a propensity to self-harm in prison. Figure 1 compares inmate deaths in prison from unnatural causes across jurisdictions with similar characteristics (Canada,<sup>9</sup> Australia, United Kingdom and Scotland). Figure 2 compares the number of unnatural deaths in New Zealand prisons over the last three years against the number of natural deaths in New Zealand prisons over the last three years. Results are also illustrated as a number per 100 inmates.

<sup>9</sup> The Correctional Services of Canada is a federal body responsible for inmates sentenced to two or more years. Other jurisdictions, including New Zealand, are responsible for all sentenced inmates.

International Comparison of Unnatural Deaths in Custody – 1998/1999<sup>10</sup>

FIGURE 1



## Source

Canada: Correctional Services of Canada  
– Performance Report to 31 March 1999

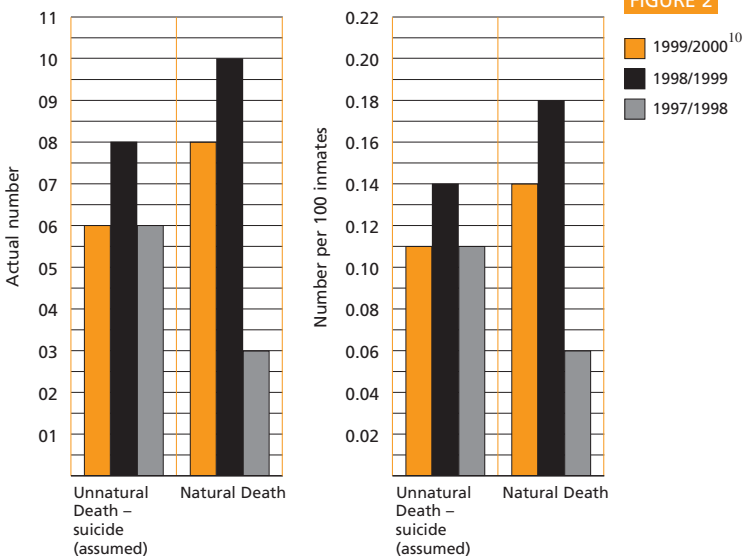
Australia: NCAG Report  
– 1998/1999 Benchmarking Analysis Results

UK: HM Prison Service – Annual Report  
and Accounts, April 1998 – March 1999

Scotland: Scottish Prison Service –  
Annual Report and Accounts for 1998–1999

## Deaths in Custody in NZ

FIGURE 2



## Note

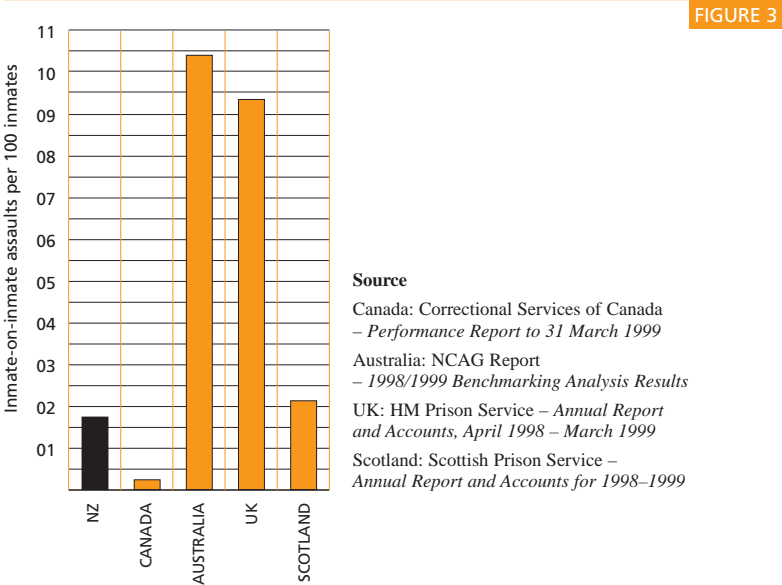
- 1999/2000 number per 100 inmates based on an average number of inmates (sentenced and remand) of 5661.

<sup>10</sup> Dates refer to the financial year, which runs from 1 July to 30 June.

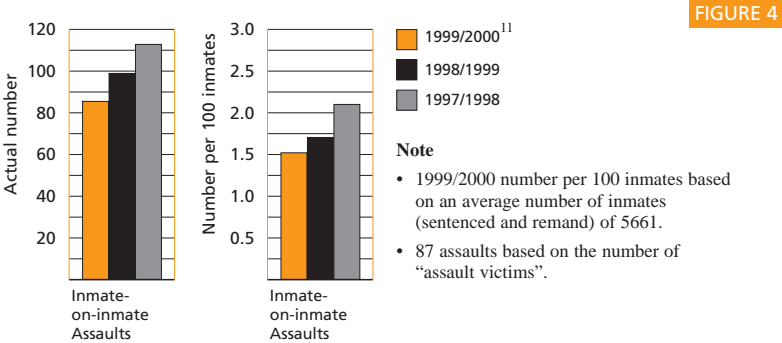
**ASSAULTS IN CUSTODY** Another indicator of a safe and secure penal environment is the number of assaults in prison. Figure 3 compares inmate-on-inmate assaults in prison across jurisdictions with similar characteristics (Canada, Australia, United Kingdom and Scotland). Figure 4 compares the number of inmate-on-inmate assaults in New Zealand prisons over the last three years. Results are also illustrated as a number per 100 inmates.

It should be noted that the results are indicative only and based on different reporting and evaluation standards.

International Comparison of Inmate-on-inmate Assaults in Custody – 1998/1999<sup>11</sup>



Inmate-on-inmate Assaults in Custody in NZ



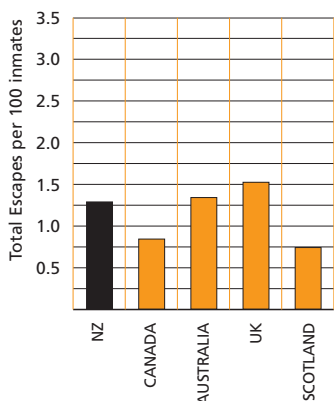
<sup>11</sup> Dates refer to the financial year, which runs from 1 July to 30 June.



**ESCAPES FROM CUSTODY** Inmate escapes attract attention as an obvious indicator of the extent to which a secure custodial environment exists. Figure 5 compares total escapes from prison across jurisdictions with similar characteristics (Canada, Australia, United Kingdom and Scotland). Figure 6 compares total escapes from New Zealand prisons over the last three years. Results are also illustrated as a number per 100 inmates.

**International Comparison of Total Escapes from Prison – 1998/1999<sup>12</sup>**

**FIGURE 5**



**Source**

Canada: Correctional Services of Canada – *Performance Report to 31 March 1999*

Australia: NCAG Report

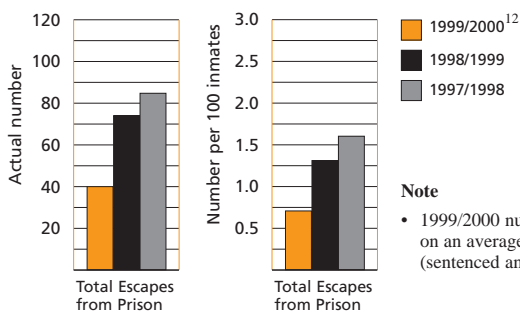
– *1998/1999 Benchmarking Analysis Results*

UK: HM Prison Service – *Annual Report and Accounts, April 1998 – March 1999*

Scotland: Scottish Prison Service – *Annual Report and Accounts for 1998–1999*

**Total Escapes from Prison in NZ<sup>13</sup>**

**FIGURE 6**



**Note**

- 1999/2000 number per 100 inmates based on an average number of inmates (sentenced and remand) of 5661.

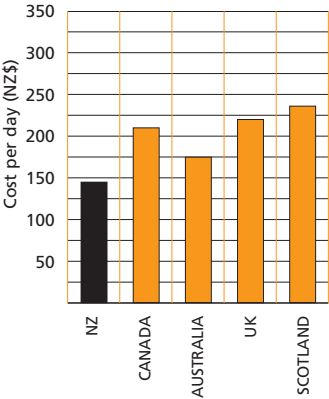
<sup>12</sup> Dates refer to the financial year, which runs from 1 July to 30 June.

<sup>13</sup> Includes escapes by prison breakout, non-returns from temporary release and prison walkaways.

**COST OF INMATES** The performance of the corrections system also needs to be assessed on the basis of what it costs to secure an inmate. In this instance, comparisons are based on the average daily cost per inmate. New Zealand compares favourably with other jurisdictions and has a daily cost per inmate of \$144.

International Comparison of Cost per Day – 1998/1999<sup>14</sup>

FIGURE 7



**Source**  
Canada: Correctional Services of Canada  
– *Performance Report to 31 March 1999*  
Australia: NCAG Report  
– *1998/1999 Benchmarking Analysis Results*  
UK: HM Prison Service – *Annual Report and Accounts, April 1998 – March 1999*  
Scotland: Scottish Prison Service –  
*Annual Report and Accounts for 1998–1999*

<sup>14</sup> Dates refer to the financial year, which runs from 1 July to 30 June.

## Recidivism Index

The Recidivism Index (RI) quantifies the rate of re-offending of a specified group of offenders over a defined period following release from a custodial sentence or completion of a community-based sentence.

The RI method is based on internationally-used definitions of re-offending applied to sentences/orders administered by corrections agencies (in New Zealand's case, the Department of Corrections).

The RI comes in two forms – imprisonment or reconviction to a sentence administered by the Department. Imprisonment gives a good indication of the seriousness of recidivism and costs to the Department, the criminal justice system and society more generally. However, since the majority of reconvictions do not lead to imprisonment, imprisonment statistics provide an incomplete measure of recidivism. Therefore reconviction to any sentence administered by the Department is also measured.

**RECIDIVISM INDEX COMPARISONS** The Recidivism Index is reported for multiple categories of offenders (Figure 8). In New Zealand there was significant variation in re-offending rates between sentence, offence and demographic groups. The table provides re-offending rates measured over 12 months, for the 1998/99 year.

Notable features for those released from a custodial sentence (Figure 8) are:

- males are reimprisoned at a significantly higher rate than females (30 percent and 17 percent respectively) and reconviction rates for offenders released from prison are also higher for males (49 percent and 40 percent respectively). Reimprisonment rates reduce by around two-thirds as offenders age, and vary markedly between offence classes (property offenders having the highest, sex offenders having the lowest);

- reimprisonment rates were highest for inmates released from maximum security and high-medium security classifications (74 percent and 73 percent respectively), but were markedly lower for inmates released from minimum security (26 percent);
- the reimprisonment and reconviction rates for Pacific peoples (20 percent and 38 percent respectively) were notably lower than those for Māori (32 percent and 55 percent) and Europeans (27 percent and 45 percent).

Offenders on community-based sentences had significantly lower imprisonment and reconviction rates than offenders released from prison. The reconviction rate for those who have completed a Community Probation sentence of periodic detention (41 percent) is almost double that of offenders who have completed a community service sentence (21 percent).

**INTERNATIONAL COMPARISONS** New Zealand's rate of reimprisonment within 12 months compares favourably with that recorded in Scotland and Canada. The reimprisonment rate over 24 months was notably above that in England/Wales and Australia, but below Scotland.

Offenders released from New Zealand prisons were reconvicted and sentenced to prison or a community-based sentence at a relatively high rate compared with Australia, England/Wales and Canada, but at a lower rate than Scotland.<sup>15</sup>

The following graphs provide comparative international re-offending statistics. Overall, RI measurements increase notably as the measurement interval lengthens (Figure 9, page 36) from 12 to 24 months.

<sup>15</sup> In part this may reflect the use of community-based sentences in New Zealand, where other nations would use monetary penalties.

## Recidivism Index Reporting – 1998/1999

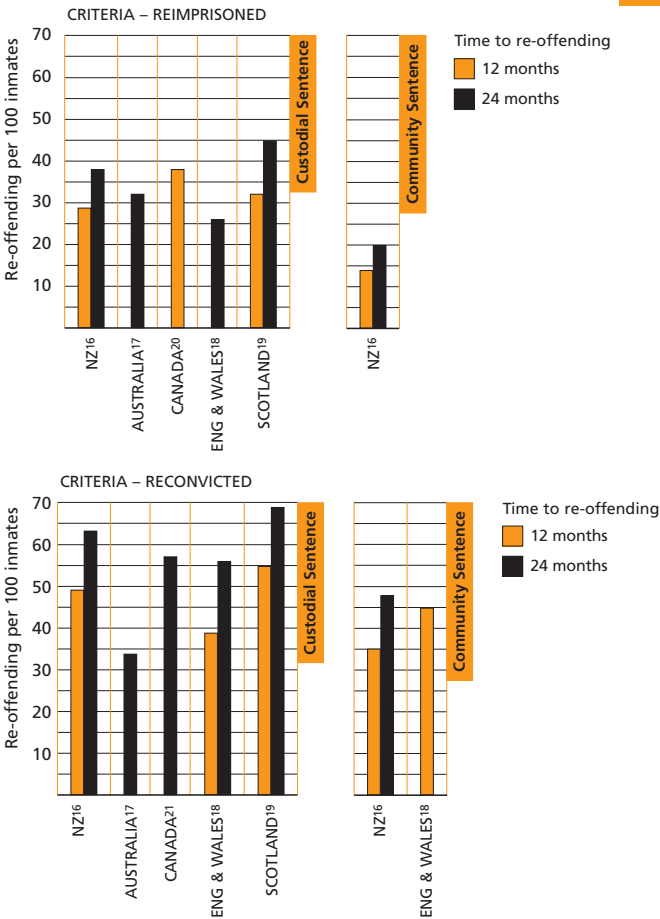
FIGURE 8

1998/1999 – 12 MONTH PERCENTAGES

Category	Released from PPS Reimprisoned	Reconvicted	Terminated from CPS Imprisoned	Reconvicted
<b>All</b>	<b>28.9</b>	<b>48.6</b>	<b>13.7</b>	<b>35.3</b>
<b>Gender</b>				
Female	17.2	40.0	6.2	25.5
Male	30.0	49.2	15.4	37.6
<b>Ethnicity</b>				
European	26.9	45.1	n/a	n/a
Māori	32.4	55.1	n/a	n/a
Pacific	19.8	38.0	n/a	n/a
Other (incl. Asian)	23.5	29.6	n/a	n/a
<b>Age</b>				
<20 years	46.4	70.1	19.6	48.3
20-24 years	33.8	56.7	16.2	41.3
25-29 years	28.8	50.5	14.0	35.4
30-39 years	22.3	40.0	10.4	28.5
40+ years	13.6	22.0	6.3	18.7
<b>Offence</b>				
Drug	15.5	30.6	10.2	31.8
Property	40.2	62.4	18.8	43.6
Traffic	21.6	44.8	14.1	37.5
Violence	27.3	45.8	11.8	31.4
Sex	11.1	18.1	7.3	17.1
Other	29.0	48.8	10.9	29.8
<b>Community-based Sentence</b>				
Community Service	-	-	3.8	20.7
Programme	-	-	20.9	37.7
Supervision	-	-	14.0	33.1
Periodic Detention	-	-	16.7	40.8
<b>Custodial Sentence</b>				
Prison	28.2	47.4	-	-
Corrective Training	41.4	71.6	-	-
<b>Inmate Security Classifications</b>				
Maximum	74.4	74.4	-	-
High-medium	72.7	81.8	-	-
Low-medium	55.2	69.0	-	-
Minimum	26.4	43.3	-	-
<b>Releases from Prison – Parole</b>				
Not Paroled	32.1	53.2	-	-
Paroled by DPB	20.0	34.5	-	-
NPB discretionary	0.0	2.5	-	-
NPB mandatory	4.3	9.7	-	-

International Comparison of Re-offending Statistics

FIGURE 9



<sup>16</sup> New Zealand 12 month re-offending statistics use 1998/99 releases; 24 month statistics 1997/98 releases. Reconviction includes any sentence administered by the Department, but excludes monetary penalties, etc.

<sup>17</sup> Australia 24 month re-offending statistics use 1997/98 releases. They exclude fines defaults and include home detainees. The reconviction statistic is reported as a simple average across three states.

<sup>18</sup> England & Wales 1994 data, imprisonment includes only adult males; non-custodial sentences statistics cover community service & probation only.

<sup>19</sup> Scotland 1995 year, excludes traffic offences and includes remands & revoked parole licenses.

<sup>20</sup> Canadian reimprisonment uses federal data, reported as simple averages of 39% (mean for 1993/94 to 1997/98) and 37% (1998/99 data). Excludes < 2 years in prison, excludes life imprisonment, and includes breach of parole conditions.

<sup>21</sup> Canadian reconviction statistic uses Ontario state 1995/96 data, excludes prisoners with mixed breaches (custodial & community), and excludes persons under 18 years.

# PART B

## Purchaser/Owner Interest

### STATEMENT OF RESPONSIBILITY

### STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE

- Output Class 1: Information Services
- Output Class 2: Community-based Sentences and Orders
- Output Class 3: Custodial Sentences
- Output Class 4: Rehabilitative Programmes
- Output Class 5: Inmate Employment
- Output Class 6: Custody of Remand Inmates
- Output Class 7: Escort and Custodial Supervision Services to Courts
- Output Class 8: Policy Advice and Development
- Output Class 9: Contract Management Services

### FINANCIAL SUMMARY

- Statement of Accounting Policies
- Statement of Financial Performance
- Statement of Movements in Taxpayers' Funds
- Statement of Financial Position
- Statement of Cash Flows
- Reconciliation of Net Surplus to Net Cash Flow from Operating Activities
- Statement of Commitments
- Statement of Contingent Liabilities
- Statement of Unappropriated Expenditure
- Statement of Departmental Expenditure and Appropriations
- Statement of Trust Monies
- Notes to the Financial Statements

### REPORT OF THE AUDIT OFFICE

## STATEMENT OF Responsibility

In terms of sections 35 and 37 of the Public Finance Act 1989, I am responsible, as Chief Executive of the Department of Corrections, for the preparation of the Department's financial statements and the judgements made in the process of producing those statements.

I have the responsibility of establishing and maintaining, and I have established and maintained, a system of internal control procedures which provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the Department for the year ended 30 June 2000.

Signed



**Mark Byers**

*Chief Executive*

Countersigned



**Richard Morris**

*Chief Financial Officer*

Dated: 31 August 2000



## STATEMENT OF

## Objectives and Service Performance

FOR THE YEAR ENDED 30 JUNE 2000

## Output Class 1: Information Services

This class of outputs covers the provision of information as requested by the courts, the Parole Board and District Prisons Boards to inform their respective decision-making processes. It includes the provision of psychological reports, remand pre-sentence reports, reparation reports, community programme agreements, same-day reports, home detention reports and assessments, oral information reports and home leave reports. Special purpose reports and advice are prepared for other relevant entities including Community Magistrates. Also included is the time Probation Officers spend attending court and Status Court hearings.

## Output Class Statement: Information Services

FOR THE YEAR ENDED 30 JUNE 2000

	Actual \$000	Supp. Estimates \$000	Variance \$000
<b>Revenue</b>			
Crown	22,500	22,500	0
<b>Total revenue</b>	<b>22,500</b>	<b>22,500</b>	<b>0</b>
<b>Total expenses</b>	<b>22,409</b>	<b>22,500</b>	<b>91</b>
<b>Net surplus/(deficit)</b>	<b>91</b>	<b>0</b>	<b>91</b>

**INFORMATION AND ADVICE TO COURTS** This output includes the preparation of reports that provide the sentencing judge with information on offenders to assist with the sentencing process. Also incorporated is the time a Probation Officer spends in attending court. This output includes attendance at the arrest, sentencing and fines, court and court prosecutions resulting from Community Probation Service initiated proceedings. It also includes time spent at and preparation of reports for Status Courts and Community Magistrates Courts.

Information and Advice to Courts	Budget	Actual	Variance
<b>Quantity</b>			
The projected number of reports to courts	41,000–43,000	34,091	-6,909 (-17%)
The projected number of hours for attendance	40,000–42,000	47,851	5,851 (14%)
<b>Quality</b>			
The percentage of reports provided to the standards contained in the Community Probation Service Manual:	95%	94%	-1%
<ul style="list-style-type: none"><li>• reports to specified format and in writing</li><li>• verification process specified/or rationale for the lack of verification</li><li>• concise, logical and grammatically correct</li><li>• clear statement of recommendations consistent with the law.</li></ul>			
The number of written complaints from judges	12	10	-2 (-17%)
<b>Timeliness</b>			
The percentage of reports to courts provided to a timetable set through Local Service Level Agreements	98%	57%	-41%

**COMMENT:** Reports to courts consist of a number of different categories. The reduction in the overall number of reports relates mainly to oral reports and same-day reports. Further investigation identified the following factors as contributing towards this:

- a refocusing by the Department for Courts nationally towards an increased level of enforcement in respect of the collection of payments for fines imposed by judges.

This has directly impacted on the volume of people being sent back to court and being resentenced, which in turn directly impacts on the number of reports to courts required to be completed by the Community Probation Service

- a general reduction in crime but specifically in the area of crimes of dishonesty
- a reduction in the instances where the Police have asked for the preparation of reparation reports which were previously requested in far greater quantities.

The introduction of the Integrated Offender Management assessment phase has also impacted on the volume of oral reports required.

There are a number of factors that contribute to the overall increase in hours spent by staff attending court. These include:

- increased demand arising from more frequent Status Court Hearings and a greater-than-expected workload arising from the Community Magistrates Court pilot
- increased calls for Probation Officers to attend court for one-off sentencing or prosecution matters in addition to the regular court roster, fines and Court Registrars' workloads
- the number of cases that a judge is able to sentence in any one day. Additional sentencing days are being scheduled at some courts to deal with a build-up of cases. These include the use of Registrars' Criminal List days which require the attendance of Community Probation Service staff.

During 1999/2000 the Department moved from reporting against Local Service Agreements to measuring its performance against the standards outlined in the Department's Service Level Agreement. For the 2000/01 year this will be refined to allow for the development, implementation and reporting of Local Service Level Agreements.

**THE PROVISION OF HOME LEAVE REPORTS** The provision of home leave reports includes investigating the suitability of the sponsor and residence. Community reaction to the planned home leave by an inmate is also assessed.

The Provision of Home Leave Reports	Budget	Actual	Variance
<b>Quantity</b>			
The number of home leave reports	2,500–2,800	1,606	-894 (-36%)
<b>Quality</b>			
The percentage of home leave reports provided to the standards contained in the Community Probation Service Manual:			
	98%	97%	-1%
<ul style="list-style-type: none"><li>• reports completed and all questions addressed</li><li>• concise, logical and grammatically correct.</li></ul>			
<b>Timeliness</b>			
The percentage of home leave reports provided within two weeks of request	98%	94%	-4%

**COMMENTS:** The numbers of home leave reports continued to be affected by the Department’s policy relating to the eligibility for home leave of those inmates who are identified drug users. Inmates who test positive for drugs have restrictions imposed, including reduced eligibility for home leave.

## COMMUNITY PROBATION SERVICE INFORMATION AND ADVICE TO PAROLE AND DISTRICT PRISONS BOARDS

This output incorporates the preparation of parole programme reports that provide information to the Parole Board and District Prisons Boards about the inmate's proposed residence and work, and the potential programmes that he or she could undertake on release from prison.

Community Probation Service  
Information and Advice to Parole  
and District Prisons Boards

	Budget	Actual	Variance
<b>Quantity</b>			
The number of Parole and District Prisons Boards reports	2,600–2,900	2,878	Nil
The number of home detention specialist reports completed	1,200	1,264	64 (5%)

### Quality

The percentage of Parole and District Prisons Boards reports provided to the standards contained in the Community Probation Service Manual:	95%	95%	Nil
<ul style="list-style-type: none"> <li>• reports to a specified format and in writing</li> <li>• verification process specified/or rationale for the lack of verification</li> <li>• concise, logical and grammatically correct</li> <li>• statement of recommendations consistent with the law.</li> </ul>			

The percentage of home detention specialist reports provided to the standards contained in the Community Probation Service Manual:	98%	98%	Nil
<ul style="list-style-type: none"> <li>• reports completed and all questions addressed</li> <li>• concise, logical and grammatically correct.</li> </ul>			

### Timeliness

The percentage of Parole and District Prisons Boards reports provided within deadlines set by the Boards	98%	94%	-4%
The percentage of home detention specialist reports provided within two weeks of request	98%	98%	Nil

**PUBLIC PRISONS SERVICE INFORMATION AND ADVICE TO PAROLE AND DISTRICT PRISONS BOARDS**

Reports to the Parole Board and District Prisons Boards provide advice and specific information regarding inmate behaviour and the progress made to address offending during the sentence. These reports are designed to facilitate release and programme decisions by the Boards.

Public Prisons Service Information and Advice to Parole and District Prisons Boards	Budget	Actual	Variance
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**Quantity**

The number of Parole and District Prisons Boards reports	3,050–3,375	4,399	1,024 (30%)
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**Quality**

The percentage of reports provided to the standards contained in the Public Prisons Service Policy and Procedures Manual:	100%	99%	-1%
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- the reports are clear and concise, identifying major points to enable the Boards to make a decision on the inmate’s release
- the reports must identify whether statements are fact or opinion; findings are to be derived from the body of the report; recommendations are to address issues, be capable of being implemented and demonstrate that they will achieve the results required
- each inmate is involved in the development of his or her report
- reports for the Parole Board are provided at least one month before the Board sits
- reports for the District Prisons Boards are provided at least 10 working days prior to the Board sitting.

**Timeliness**

The percentage of reports provided within deadlines set by the respective Boards	100%	99%	-1%
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**COMMENT:** The increase in the number of Parole and District Prisons Boards reports is due to the greater-than-expected number of reports required for home detention and a general increase in the number of inmates appearing before the Boards.

**PSYCHOLOGICAL REPORTS TO COURTS, PAROLE BOARD AND DISTRICT PRISONS BOARDS** This output involves the assessment, analysis and reporting on offenders who are to appear before the Parole Board, District Prisons Boards or the courts.

Psychological Reports to Courts, Parole Board and District Prisons Boards	Budget	Actual	Variance
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#### Quantity

The number of psychological reports to courts, Parole and District Prisons Boards	777–856	787	Nil
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#### Quality

The percentage of psychological reports provided to the standards contained in the Psychological Service Manual:	95%	100%	5%
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- completed to a specified format and in writing
- concise, logical and grammatically correct
- source and reason for referral clearly stated
- all relevant and appropriate information included
- sources of information well documented and verified
- clear statement of recommendations for further intervention
- complies with the Code of Ethics of the NZ Psychological Society 1986.

#### Timeliness

The percentage of psychological reports provided within deadlines set by courts, Parole and District Prisons Boards	100%	99%	-1%
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Output Class 2: Community-based Sentences and Orders

This class of outputs provides for the management and delivery of community-based sentences and orders through case management and sentence compliance services. Included as part of these services are supervision, community programmes, community service, periodic detention, home detention, habilitation centres and parole.

The services provided meet the terms of judicial decisions on sentence in each case, and also provide opportunities for offenders to acknowledge their responsibilities and address offending behaviour.

Output Class Statement: Community-based Sentences and Orders

FOR THE YEAR ENDED 30 JUNE 2000			
	Actual \$000	Supp. Estimates \$000	Variance \$000
Revenue			
Crown	46,593	46,593	0
Total revenue	46,593	46,593	0
Total expenses	46,560	46,593	33
Net surplus/(deficit)	33	0	33



**COMMUNITY SERVICE ORDERS** This output ensures that an offender sentenced to community service completes the sentenced number of hours work within the community. The type of service that can be performed is specified in the Criminal Justice Act 1985.

Community Service Orders	Budget	Actual	Variance
<b>Quantity</b>			
The number of community service orders	10,500–11,500	8,750	-1,750 (-17%)
<b>Quality</b>			
The percentage of offenders who successfully complete a community service order	80%	67%	-13%
<b>Outcome</b>			
The percentage of offenders conviction-free 12 months after the completion of their sentence	78%	79%	1%
The percentage of offenders not imprisoned within 12 months of the completion of their sentence	New Standard	96%	n/a
The percentage of offenders conviction-free 24 months after the completion of their sentence	New Standard	69%	n/a
The percentage of offenders not imprisoned within 24 months of the completion of their sentence	New Standard	93%	n/a

**COMMENT:** The Department for Courts increased the level of enforcement of the collection of payments for fines imposed by judges which has in turn directly impacted on the volume of people being sent back to court to be resentenced.

The Department revised its overall 2000/01 forecast in respect of community service orders. The Community Probation Service will be looking to use the results of its recent review of workloads and the predicted impact on work flows resulting from the full introduction of Integrated Offender Management to better forecast ongoing demand for community sentence management services.

**COMMUNITY PROGRAMME ORDERS** This output ensures that offenders sentenced to community programmes, over a given period of time, either attend a medical, social, therapeutic or educational programme or else be placed in the care of an appropriate ethnic group or an appropriate person, so they can positively address the reasons for their offending.

Community Programme Orders	Budget	Actual	Variance
<b>Quantity</b>			
The number of community programme orders	460–490	240	-220 (-48%)
<b>Quality</b>			
The percentage of offenders who successfully complete a community programme order	70%	67%	-3%
<b>Outcome</b>			
The percentage of offenders conviction-free 12 months after the completion of their sentence	64%	62%	-2%
The percentage of offenders not imprisoned within 12 months of the completion of their sentence	New Standard	79%	n/a
The percentage of offenders conviction-free 24 months after the completion of their sentence	New Standard	49%	n/a
The percentage of offenders not imprisoned within 24 months of the completion of their sentence	New Standard	74%	n/a

**COMMENT:** The number of offenders being sentenced to a community programme has continued to decline over successive financial years. This may be due in part to the significant amount of time required to organise a community programme for individual offenders and the flow-on impacts in terms of delaying sentencing. Research indicates there are a number of factors that affect the use of this order:

- perceptions about this order vary between judges, staff, policy and sponsors, and within these groups
- judicial concern about the length of time required to establish these orders and issues related to policing offender compliance
- resourcing of sponsors for the undertaking of community programme orders (community organisations and individuals) is a recurring issue, with needs ranging from transport costs for the sponsor to full residential programme costs
- problems exist with the availability of suitable sponsors, the lack of support for them and the lack of clarity of their role.

**SUPERVISION ORDERS** This output ensures that offenders sentenced to supervision report regularly to their Probation Officer and, if ordered by the court, undertake special conditions that will address the reasons for their offending. Supervision may include in-depth, focused interventions such as treatment programmes (drug and alcohol, driving or violence programmes) or counselling.

Supervision Orders	Budget	Actual	Variance
<b>Quantity</b>			
The number of supervision orders	10,500–11,500	8,903	-1,597 (-15%)
<b>Quality</b>			
The percentage of offenders who comply with the special conditions imposed as part of their order	35%	68%	33%
<b>Outcome</b>			
The percentage of offenders conviction-free 12 months after the completion of their sentence	60%	67%	7%
The percentage of offenders not imprisoned within 12 months of the completion of their sentence	New Standard	86%	n/a
The percentage of offenders conviction-free 24 months after the completion of their sentence	New Standard	57%	n/a
The percentage of offenders not imprisoned within 24 months of the completion of their sentence	New Standard	81%	n/a

**COMMENT:** Integrated Offender Management assessment is leading to more focused and relevant information being provided to judges. This is resulting in more appropriate sentencing of offenders and may lead to a change in the types of sentences imposed.

This performance standard and its associated measure was developed and first introduced in the 1999/2000 financial year. During this financial year focus on the rehabilitation of offenders has increased. This resulted in greater clarity in the definition of special conditions and compliance attached to an individual offender’s supervision order. This allows the Department to better assess and target special conditions to increase offenders’ chances of being successfully rehabilitated and reintegrated back into the community.

**PERIODIC DETENTION ORDERS** This output entails the administering of the sentence of periodic detention, which provides reparation to the community. Offenders sentenced to periodic detention report for a minimum of eight hours and a maximum of 18 hours per week. During that time they work in groups in the community and/or can undertake rehabilitative programmes. The type of work that can be performed is specified in the Criminal Justice Act 1985.

Periodic Detention Orders	Budget	Actual	Variance
<b>Quantity</b>			
The number of periodic detention orders	24,000–25,000	20,012	-3,988 (-17%)
<b>Quality</b>			
The percentage of offenders who successfully complete a periodic detention order	60%	69%	9%
<b>Outcome</b>			
The percentage of offenders conviction-free 12 months after the completion of their sentence	55%	59%	4%
The percentage of offenders not imprisoned within 12 months of the completion of their sentence	New Standard	83%	n/a
The percentage of offenders conviction-free 24 months after the completion of their sentence	New Standard	43%	n/a
The percentage of offenders not imprisoned within 24 months of the completion of their sentence	New Standard	75%	n/a

**COMMENT:** The Department for Courts increased the level of enforcement of the collection of payments for fines imposed by judges which has in turn directly impacted on the volume of people being sent back to court to be resentenced.



Huntleigh Girl Guide enjoys using a Challenge Course constructed by periodic detention workers.

**HOME DETENTION ORDERS** This output entails administering home detention orders imposed by either a Parole Board or District Prisons Board. Under the conditions of these orders, the offender resides at home under strict conditions and with strict monitoring of those conditions.

Home Detention Orders	Budget	Actual	Variance
<b>Quantity</b>			
The number of offenders directed to complete a home detention order	300	302	2 (<1%)
<b>Quality</b>			
The percentage of offenders on programmes which address their rehabilitative needs	95%	90%	-5%
<b>Outcome</b>			
The percentage of offenders conviction-free 12 months after the completion of their sentence	New Standard	60%	n/a
The percentage of offenders not reimprisoned within 12 months of their release from prison	New Standard	New Standard	n/a

**COMMENT:** Home detention was introduced on 1 October 1999 and there is no historical analysis available to assess if the offenders’ programmes address their rehabilitative needs. However reconviction information for the sentence of home detention will be included in the Department’s 2000/01 Annual Report.

### ORDERS IMPOSED BY THE PAROLE AND DISTRICT PRISONS

**BOARDS** This output entails administering an order imposed by either a Parole or District Prisons Board, which is administered by a Community Probation Officer. It may include the following provisions:

- a Probation Officer may meet regularly and work closely with an offender, subject to a parole order, and ensure that special conditions imposed by Boards are undertaken
- parole may include in-depth, focused interventions such as treatment programmes (drug and alcohol, driving or violence programmes) or counselling
- residential programmes may be provided that assist offenders to identify the causes of their offending. This includes the administering of the orders by Community Probation Service staff.

Orders Imposed by the Parole and District Prisons Boards	Budget	Actual	Variance
<b>Quantity</b>			
The number of inmates directed to complete a parole order	2,600–2,800	2,311	-289 (-11%)
The number of inmates directed to complete a violence prevention programme at Montgomery House	32	28	-4 (-12%)
The number of inmates directed to complete a habilitation centre order	30–50	36	Nil
<b>Quality</b>			
The percentage of offenders who comply with the special conditions imposed as part of their order	35%	74%	39%

Outcome

The percentage of offenders conviction-free 12 months after the completion of their sentence			
	55%	60%	5%
The percentage of offenders not reimprisoned within 12 months of the completion of their sentence			
New Standard		77%	n/a
The percentage of offenders conviction-free 24 months after the completion of their sentence <sup>1</sup>			
New Standard		43%	n/a
The percentage of offenders not reimprisoned within 24 months of the completion of their sentence <sup>1</sup>			
New Standard		62%	n/a

**COMMENT:** The use of minimum non-parole sentences has reduced the number of parolees. The impact of the Department’s inmate drug strategy has reduced the number of inmates eligible to attend habilitation centres or Montgomery House, as inmates become ineligible for parole for a period of three months following the return of a positive drug test.

During this financial year the focus on the rehabilitation of offenders has increased. This resulted in greater clarity of the definition of special conditions and compliance attached to an individual offender’s parole order. This also allows the Department to better assess and target special conditions to increase an offender’s chances of being successfully rehabilitated and reintegrated back into the community.

<sup>1</sup> The 12 month data is an average of the Parole Board and District Prisons Boards figures whilst the 24 month data is only from the Parole Board.



### Output Class 3: Custodial Sentences

This class of outputs involves purchasing custodial services, the provision of facilities including youth and self-care units, and administering sentences of imprisonment and corrective training.

These outputs include:

- custodial services and the administration of custodial sentences in safe, secure and humane conditions for inmates housed in maximum, medium and minimum security accommodation and for corrective trainees
- drug testing.

The Minister of Corrections will expect the services provided to meet the terms of judicial decisions on sentence in each case, and also provide opportunities for recipients to learn of their responsibilities as members of New Zealand society.

#### Output Class Statement: Custodial Sentences

FOR THE YEAR ENDED 30 JUNE 2000

	Actual \$000	Supp. Estimates \$000	Variance \$000
<b>Revenue</b>			
Crown	210,308	210,308	0
<b>Total revenue</b>	<b>210,308</b>	<b>210,308</b>	<b>0</b>
<b>Total expenses</b>	<b>210,095</b>	<b>210,308</b>	<b>213</b>
<b>Net surplus/(deficit)</b>	<b>213</b>	<b>0</b>	<b>213</b>

**PRISON CUSTODIAL SERVICES – MAXIMUM SECURITY**

This output includes the administration of sentences of imprisonment for inmates housed in maximum security accommodation. It incorporates the costs of accommodation, security, transport, sentence management (including assessment), food and medical care, but not the cost of rehabilitation, employment and other interventions.

Prison Custodial Services – Maximum Security	Budget	Actual	Variance
<b>Quantity</b>			
The average number of maximum security sentenced inmates	95	142	47 (49%)
<b>Quality</b>			
The percentage of sentenced inmates with case management plans prepared and implemented to the criteria contained in the Public Prisons Service Policy and Procedures Manual: <sup>2</sup>			
	85%	93%	8%
<ul style="list-style-type: none"> <li>• assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available</li> <li>• the inmate is placed onto the appropriate work/programme</li> <li>• the inmate attends the work/programme allocated</li> <li>• all information is recorded and filed on the inmate's file</li> <li>• case management plans are reviewed as per the plan.</li> </ul>			
The number and percentage (of the average number of inmates) of break-outs per annum			
	0	0	Nil
The number of non-returns from temporary release per annum			
	0	0	Nil
The number and percentage (of the average number of inmates) of all other escapes per annum			
	0	0	Nil
<b>Outcome</b>			
The percentage of inmates not reimprisoned within 12 months of their release from prison <sup>3</sup>			
	New Standard	26%	n/a

<sup>2</sup> The contents of case management plans for maximum security inmates are different from those of lower classification inmates. Work opportunities and group-based programme activities are significantly restricted for this classification of inmate, with an emphasis for a number of maximum security inmates being the completion of the behaviour modification regime.

<sup>3</sup> The percentage has been derived from the Recidivism Index, which is calculated using departmental information systems.

**COMMENT:** The higher-than-forecast number of maximum security inmates reflects the number and severity of offences for which offenders are being convicted and sentenced in the courts. However, women inmates usually have a lower risk of re-offending and are more receptive to programmes that assist their rehabilitation. Their movement through security classifications is usually therefore more frequent.

The Department has continued its commitment to effectively manage offenders with a focus on ensuring that all inmates have case management plans to standard.

PRISON CUSTODIAL SERVICES – MEDIUM SECURITY

This output includes the administration of sentences of imprisonment for inmates housed in medium security accommodation. It incorporates the costs of accommodation, security, transport, sentence management (including assessment), food and medical care, but not the cost of rehabilitation, employment and other interventions.

Prison Custodial Services – Medium Security	Budget	Actual	Variance
<b>Quantity</b>			
The average number of medium security sentenced inmates	2,150	2,277	127 (6%)
<b>Quality</b>			
The percentage of sentenced inmates with case management plans prepared and implemented to the criteria contained in the Public Prisons Service Policy and Procedures Manual:			
	85%	86%	1%
<ul style="list-style-type: none"><li>assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available</li><li>the inmate is placed onto the appropriate work/programme</li><li>the inmate attends the work/programme allocated</li><li>all information is recorded and filed on the inmate's file</li><li>case management plans are reviewed as per the plan.</li></ul>			
<hr/>			
The number and percentage (of the average number of inmates) of break-outs per annum	9 (0.4%)	6 (0.26%)	-3 (-<1%)
The number of non-returns from temporary release per annum	2	0	-2
<hr/>			
The number and percentage (of the average number of inmates) of all other escapes per annum	18 (0.9%)	3 (0.13%)	-15 (-<1%)
<hr/>			
<b>Outcome</b>			
The percentage of inmates not reimprisoned within 12 months of their release from prison <sup>4</sup>			
	New Standard	36%	n/a

<sup>4</sup> The percentage has been derived from the Recidivism Index, which is calculated using departmental information systems.

**COMMENT:** The higher-than-forecast number may reflect the number and severity of offences for which offenders are being convicted and sentenced in the courts. However, it may also reflect the security risk posed by inmates.

The overall number of escapes reduced from 72 in 1998/99 to 40 in 1999/2000. This result reflects the Department's strong focus on improving security procedures and the security of facilities.

Improved custodial management and investment in security meant that there were fewer escapes during the year. All escapes that occurred during the year have been or are in the process of being investigated. Where necessary procedures are amended or new procedures implemented. Confirmation of appropriate implementation of recommendations arising from individual investigation is provided to the Assurance Board.<sup>5</sup>

<sup>5</sup> Comment also relates to Output Class 6 – Custody of Remand Inmates.

**PRISON CUSTODIAL SERVICES – MINIMUM SECURITY**

This output includes the administration of sentences of imprisonment for inmates housed in minimum security accommodation. It incorporates the costs of accommodation, security, transport, sentence management (including assessment), food and medical care, but not the cost of rehabilitation, employment and other interventions.

Prison Custodial Services – Minimum Security	Budget	Actual	Variance
<b>Quantity</b>			
The average number of minimum security sentenced inmates	2,780	2,500	-280 (-10%)
<b>Quality</b>			
The percentage of sentenced inmates with case management plans prepared and implemented to the criteria contained in the Public Prisons Service Policy and Procedures Manual:	85%	96%	11%
<ul style="list-style-type: none"> <li>assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available</li> <li>the inmate is placed onto the appropriate work/programme</li> <li>the inmate attends the work/programme allocated</li> <li>all information is recorded and filed on the inmate's file</li> <li>case management plans are reviewed as per the plan.</li> </ul>			
The number and percentage (of the average number of inmates) of break-outs per annum	3 (0.1%)	1 (0.04%)	-2 (-<1%)
The number of non-returns from temporary release per annum	20	7	-13
The number and percentage (of the average number of inmates) of all other escapes per annum	17 (0.6%)	16 (0.6%)	-1 (Nil)
<b>Outcome</b>			
The percentage of inmates not reimprisoned within 12 months of their release from prison <sup>6</sup>	New Standard	74%	n/a

<sup>6</sup> The percentage has been derived from the Recidivism Index, which is calculated using departmental information systems.

**COMMENT:** The lower-than-forecast number of minimum security inmates reflects the number and severity of offences for which offenders are being convicted. There is an increase in more severe offences and sentences thus the relative decrease in minimum security inmates.

The Department has continued its commitment to effectively manage offenders with a focus on ensuring that all inmates have case management plans to the standard as outlined in the Public Prisons Service Policy and Procedures Manual.

PRISON CUSTODIAL SERVICES – CORRECTIVE TRAINING

This output includes the administration of sentences of imprisonment for inmates sentenced to corrective training. It incorporates the costs of accommodation, security, transport, sentence management (including assessment), food and medical care, but not the cost of rehabilitation, employment and other interventions.

Prison Custodial Services – Corrective Training	Budget	Actual	Variance
<b>Quantity</b>			
The average number of corrective trainees	50	37	-13 (-26%)
<b>Quality</b>			
The percentage of sentenced inmates with case management plans prepared and implemented to the criteria contained in the Public Prisons Service Policy and Procedures Manual:			
	85%	100%	15%
<ul style="list-style-type: none"><li>assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available</li><li>the inmate is placed onto the appropriate work/programme</li><li>the inmate attends the work/programme allocated</li><li>all information is recorded and filed on the inmate's file</li><li>case management plans are reviewed as per the plan.</li></ul>			
The number and percentage (of the average number of inmates)			
of break-outs per annum	1 (1%)	0 (0%)	-1
The number and percentage (of the average number of inmates)			
of all other escapes per annum	5 (10%)	2 (5%)	-3
<b>Outcome</b>			
The percentage of inmates not reimprisoned within 12 months of their release from prison <sup>7</sup>			
New Standard		59%	n/a

**COMMENT:** Corrective training is an externally-driven measure, with sentences imposed at the discretion of judges. Factors that will influence this include changes in the sentencing of offenders.

<sup>7</sup> The percentage has been derived from the Recidivism Index, which is calculated using departmental information systems.



**DRUG TESTING SERVICES** This output focuses on the identification of drug users in prisons through the administration of both general programme and other drug screening tests.

Drug Testing Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of general programme random drug screening tests carried out	3,000–3,600	3,840	240 (7%)
The number of other drug screening tests carried out <sup>8</sup>	5,000–5,500	6,827	1,327 (24%)
<b>Quality</b>			
The annual average percentage of general programme random drug screening tests returning a positive result	20%	22%	2%

**COMMENT:** The higher-than-forecast number of tests is the result of the general random selector being set at 20 percent of all tests. The introduction of specialist units to prisons, increasing the number of overall tests carried out, has led to an increase in the number of general random tests required.

The increase in the number of other drug tests carried out arises from the introduction of Specialist Drug Treatment Units and Drug Free Units, which has increased the demand for tests.

This result reflects the Public Prisons Service's continuing commitment to the reduction of drugs in prisons, with the emphasis on the control and detection of drugs supplied.

<sup>8</sup> Other drug screening tests are defined as those undertaken on either "reasonable grounds" or on a voluntary basis, random testing of inmates returning from temporary release, and identified drug users.

Output Class 4: Rehabilitative Programmes

This output class involves the provision and administration of prison and community-based criminogenic and reintegrative programmes and non-core programmes, which incorporate psychological services and are designed to address the underlying causes of criminal re-offending. This class of outputs also provides for the administration of support services for inmates serving custodial sentences.

Output Class Statement: Rehabilitative Programmes

FOR THE YEAR ENDED 30 JUNE 2000			
	Actual \$000	Supp. Estimates \$000	Variance \$000
Revenue			
Crown	29,962	29,962	0
Total revenue	29,962	29,962	0
Total expenses	29,866	29,962	96
Net surplus/(deficit)	96	0	96

**STRAIGHT THINKING** This output entails the delivery of Straight Thinking core programmes. The aim of these programmes is to assist offenders to address one of the main causes of their offending, the lack of critical reasoning required for effective social integration.

Straight Thinking	Budget	Actual	Variance
<b>Quantity</b>			
The number of offenders attending a Straight Thinking programme:			
• Community Probation Service	575	718	143 (25%)
• Public Prisons Service	1,032	1,047	15 (2%)
The number of hours offenders spend attending a Straight Thinking programme:			
• Community Probation Service	24,294 <sup>9</sup>	25,880	1,586 (7%)
• Public Prisons Service	57,750 <sup>9</sup>	78,659	20,909 (36%)
<b>Quality</b>			
The percentage of offenders who have completed a Straight Thinking programme:			
• Community Probation Service	65%	44%	-21%
• Public Prisons Service	80%	95%	15%

**COMMENT:** Straight Thinking programmes have a 13-week duration, and may run across financial years. Therefore the number of inmates completing the programmes during the financial year will not directly correlate to the number of inmates who started during the financial year.

The percentage of offenders completing a Straight Thinking programme is more than forecast and this in turn has partly led to an over-achievement in the number of hours to be delivered. The greater-than-expected number of hours for Straight Thinking also reflects the inclusion of homework hours (which was not included in forecast hours) and the high number of non-completion hours (due to courses in some instances being run across financial years) being counted. For the Community Probation Service the number and percentage of offenders completing the programme is below target as a result of timing of programmes during the reporting year. Some offenders started the programmes part-way through the year.

<sup>9</sup> Change approved in Supplementary Estimates.

**VIOLENCE PREVENTION PROGRAMMES** This output incorporates violence prevention programmes. They include the delivery of group-based treatment to violent inmates in the Rimutaka Violence Prevention Unit at Rimutaka Prison and the provision of psychological support to Montgomery House, both of which deliver the Department's violence prevention programmes.

Violence Prevention Programmes	Budget	Actual	Variance
<b>Quantity</b>			
The number of inmates starting a violence prevention programme at Rimutaka Prison	30	36	6 (20%)
The number of violence prevention programmes completed at Rimutaka Prison per year	3	3	Nil
The number of hours inmates spend attending a violence prevention programme at Rimutaka Prison	7,700	7,975	275 (4%)
The number of psychologist hours provided to Montgomery House	600	732	132 (22%)
<b>Quality</b>			
The number of inmates completing a violence prevention programme at Rimutaka Prison <sup>10</sup>	24	12	-12 (-50%)
The percentage of violence prevention programmes completed at Rimutaka Prison where all the components described below were delivered:	100%	100%	Nil
<ul style="list-style-type: none"><li>• offence cycle motivation, goal setting</li><li>• challenging cognitive distortions</li><li>• victim empathy</li><li>• emotional regulation skills/anger and stress management</li><li>• communication/relationship skills/problem solving</li><li>• substance abuse</li><li>• moral education</li><li>• relapse prevention/release planning</li><li>• cultural awareness.</li></ul>			

<sup>10</sup> Violence prevention programmes at Rimutaka Prison have a nine-month duration and may run across financial years.

Violence Prevention Programmes – cont.	Budget	Actual	Variance
The percentage of assessments for Montgomery House programmes for which all of the following information elements were assessed:	100%	100%	Nil
<ul style="list-style-type: none"> <li>• informed consent</li> <li>• absence of psychiatric disorder</li> <li>• sufficiency of intellectual functioning</li> <li>• potential to accept responsibility</li> <li>• exhibits a potential for improvement.</li> </ul>			
The percentage of post-programme assessments for Montgomery House programmes completed by a psychologist	100%	100%	Nil
The percentage of clinical monitoring reports for Montgomery House programmes that adhere to the following standards:	95%	100%	5%
<ul style="list-style-type: none"> <li>• concise, logical and grammatically correct</li> <li>• comments and recommendations relating to each service being delivered under the contract</li> <li>• sources of information are well documented and verified</li> <li>• clear statements of recommendations.</li> </ul>			
<b>Timeliness</b>			
The percentage of clinical monitoring reports for Montgomery House programmes provided within agreed timeframes	100%	75%	-25%

**COMMENT:** *Montgomery House.* The level of input required from the Psychological Service in specific programme modules is greater than 600 hours. The provision of the violence prevention programme at Montgomery House is delivered in partnership with New Zealand Prisoners Aid and Rehabilitation Society (NZPARS) and to maintain programme integrity the level of input required from the Psychological Service in specific programme modules has been greater than anticipated. All reports were delivered within the agreed timeframes except one.

*Violence Prevention Unit.* The Unit breaks new ground internationally when treating violent offenders; it is a significant challenge to break the cycle of violence. Withdrawal and dropout rates in 1999/2000 were due to offenders' violent behaviour and inability to cope with the rigours of the programme. A further violence prevention programme was planned in Auckland. However, the resource consent for the Challenge Trust Habilitation Centre was declined and it did not open.

**SEX OFFENDER TREATMENT PROGRAMMES** This output incorporates sex offender treatment programmes, which include the delivery of group-based treatment to inmates convicted of sex offending against children. The special treatment units are the Kia Marama Sex Offender Unit and the Te Piriti Sex Offender Unit.

Sex Offender Treatment Programmes	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours inmates spend attending a programme at:			
• Kia Marama	9,260	12,902	3,642 (39%)
• Te Piriti	9,150	11,685	2,535 (28%)
The number of inmates starting a programme at:			
• Kia Marama	40	41	1 (3%)
• Te Piriti	40	41	1 (3%)
The number of programmes completed per year at:			
• Kia Marama	5	5	Nil
• Te Piriti	4	5	1 (25%)
<b>Quality</b>			
The number of inmates completing a programme <sup>11</sup> at:			
• Kia Marama	35	39	4 (11%)
• Te Piriti	32	49	17 (53%)

<sup>11</sup> Programmes may run across financial years, so the numbers of inmates completing the programme during the financial year will not directly correlate to the number who started during the financial year.

The percentage of programmes completed at Kia Marama and Te Piriti where all the components described below were delivered:

100%

100%

Nil

- norm building
- construction of offence chain incorporating challenging cognitive distortions
- sexual arousal reconditioning
- victim impact and empathy
- social skills, relationship skills and sex education
- mood, anger and stress management and problem solving
- relapse prevention
- release planning.

**COMMENT:** Accurate forecasting of demand for specialist programmes is difficult as it depends on offender profiles and their identified criminogenic needs.

PUBLIC PRISONS SERVICE OTHER REHABILITATIVE PROGRAMMES<sup>12</sup>

This output incorporates the delivery and administration by the Public Prisons Service of other rehabilitative programmes designed to address the criminogenic needs of offenders. Included in this category are programmes such as tikanga Māori, drug and alcohol treatment and education.

Public Prisons Service Other Rehabilitative Programmes	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours spent by inmates on other rehabilitative programmes that address their offending needs <sup>13</sup>	270,000–290,000 <sup>14</sup>	421,920	131,920 (46%)
The number of inmates enrolled on other rehabilitative programmes per month <sup>15</sup>	5,000	3,983	-1,017 (-20%)
<b>Quality</b>			
The percentage of other rehabilitative programmes where an evaluation is undertaken as per departmental policy and procedures <sup>16</sup>	90%	87%	-3%

<sup>12</sup> Referred to as ‘Public Prisons Service Other Core Programmes’ in the Departmental Forecast Report 1999/2000.

<sup>13</sup> The total number of hours spent by inmates on all of the core programmes is 348,000–373,000. This includes hours specified for Straight Thinking, violence prevention programmes, sex offender treatment programmes and other core programmes.

<sup>14</sup> A change of hours was approved in the Supplementary Estimates.

<sup>15</sup> Inmates simultaneously enrolled in more than one programme in a month will be counted for each programme enrolment.

<sup>16</sup> Section E.06.01R2, *Reintegrated Services – Evaluating Reintegrative Services*, of the Public Prisons Service Policy and Procedures Manual.



**COMMENT:** The full year target for this measure was amended to take account of Supplementary Estimates, which was based on November 1999 year-to-date data. Subsequent over-achievement has been caused by the inclusion of unbudgeted and incorrect counting of hours for the Arohata Drug Treatment Unit and tikanga Māori programmes run from the Māori Focus Units.

Programme delivery difficulties have been experienced with the higher levels in inmate turnover. However, inmates involved in specialised and intensive programmes, such as the Arohata Drug Treatment Unit, are spending an increasing number of hours per programme.

PUBLIC PRISONS SERVICE REINTEGRATIVE SERVICES<sup>17</sup>

This output incorporates the delivery and administration by the Public Prisons Service of programmes designed to address the reintegrative needs of offenders. Included in this category are programmes such as life and social skills, parenting, preparation for release and bugeting.

Public Prisons Service Reintegrative Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours spent by inmates on reintegrative programmes that address their offending needs	200,000–220,000 <sup>18</sup>	270,331	50,331 (23%)
The number of inmates enrolled on reintegrative programmes per month <sup>19</sup>	4,000 <sup>20</sup>	6,400	2,400 (60%)
<b>Quality</b>			
The percentage of reintegrative programmes where an evaluation is undertaken as per departmental policy and procedures <sup>21</sup>	85%	63%	-22%

**COMMENT:** The full-year target for this measure was amended to take account of Supplementary Estimates, which was based on November 1999 year-to-date data. Subsequent over-achievement has been caused by the inclusion of unbudgeted hours from self-care units and volunteers.

The Public Prisons Service has experienced programme delivery difficulties associated with high levels of inmate turnover. The higher-than-expected number of inmates enrolled reflects the programmes’ less-structured nature which provides easier access for transient inmates.

<sup>17</sup> Referred to as ‘Public Prisons Service Non-core Programmes, Constructive Activity and Reintegrative Services’ in the Departmental Forecast Report 1999/2000.

<sup>18</sup> A reduction was approved in the Supplementary Estimates.

<sup>19</sup> Inmates simultaneously enrolled in more than one programme in a month will be counted for each programme enrolment.

<sup>20</sup> A reduction was approved in the Supplementary Estimates.

<sup>21</sup> Section E.06.01R2, *Reintegrated Services – Evaluating Reintegrative Services*, of the Public Prisons Service Policy and Procedures Manual.

The lower number of evaluations is a result of the difficulties that have been experienced in attempting to evaluate programmes that are of a less-structured nature. This includes te reo, arts and other cultural activities, which can be delivered in a variety of ways and for evaluation purposes make it difficult to assess against the Policy and Procedures Manual criteria.

### COMMUNITY PROBATION SERVICE REHABILITATIVE PROGRAMMES

This output incorporates the delivery and administration by the Community Probation Service of rehabilitative programmes designed to address the criminogenic needs of offenders.

Community Probation Service Rehabilitative Programmes	Budget	Actual	Variance
<b>Quantity</b>			
The number of offenders commencing a programme	3,400–3,800	3,331	-69 (-2%)
<b>Quality</b>			
The percentage of offenders completing a programme	60%	63%	3%

**PROVISION OF PSYCHOLOGICAL SERVICES** This output includes the provision of quality psychological treatment services to offenders serving both custodial and community-based sentences. It also includes the provision of reports resulting from the referral, assessment and treatment of offenders serving custodial sentences.

Provision of Psychological Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of psychological consultation hours provided to the:			
• Community Probation Service	11,970–13,230	12,334	Nil
• Public Prisons Service	10,830–11,970	17,041	5,071 (42%)
The number of psychological reports to the:			
• Community Probation Service	1,140–1,260	1,262	2 (<1%)
• Public Prisons Service	1,211–1,339	969	-242 (-20%)
The number of psychological consultation hours provided under the Bi-cultural Therapy Model			
	3,750–4,250	3,944	Nil
<b>Quality</b>			
The percentage of psychological consultations which meet the following standards:			
	95%	100%	5%
• a structured offender assessment interview is conducted			
• confidentiality and consent issues are explained			
• relevant history is obtained			
• assessment measures are used (as appropriate)			
• problems are presented clearly formulated			
• treatment goals are specified (addressing assessed problems)			
• appropriate interventions are used (based on current literature)			
• adequate case notes are recorded for all sessions			
• records are kept of ongoing measures or observations to monitor interventions			
• assessment and treatment reports are completed and delivered.			

Provision of Psychological Services –  
continued

	Budget	Actual	Variance
The percentage of psychological reports which meet the standards outlined below:	95%	100%	5%
<ul style="list-style-type: none"> <li>• concise, logical and grammatically correct</li> <li>• source and reason for referral are clearly stated</li> <li>• all relevant and appropriate information is included</li> <li>• sources of information are well documented and verified</li> <li>• clear statements of recommendations for further interventions</li> <li>• complies with the Psychologists' Code of Ethics.</li> </ul>			

The percentage of Māori Service

Providers who comply with the following standards when delivering consultation hours under the

Bi-cultural Therapy Model:	100%	100%	Nil
<ul style="list-style-type: none"> <li>• all referrals follow locally agreed referral processes</li> <li>• provider has received induction from the Psychological Service</li> <li>• provider has signed a contract for services</li> <li>• treatment provided is centred around Māori values and beliefs using the principles of Kaupapa Māori and Nga Tikanga Māori</li> <li>• provider is mandated by the relevant Oversight Committee, comprising representatives of local iwi and the Psychological Service</li> <li>• a report is provided to the Psychological Service at the end of each referral.</li> </ul>			

**COMMENT:** Variance is due to significantly greater-than-expected demand for group treatment sessions, particularly in two prison areas.

Psychological reports' provision is a demand-driven target that is a by-product of assessment and treatment consultations. This is difficult to predict as reports are generated at the end of assessment and at the end of treatment. The length of assessment and treatment varies according to client requirements.

SUPPORT SERVICES FOR INMATES, PAROLEES AND REMANDEES

This output involves the provision of support services for inmates serving custodial sentences, people on remand, parolees, ex-inmates, and family/whanau to assist in offenders’ rehabilitation and reintegration following release.

The services include visiting and providing social contact to inmates, assisting with planning for release or discharge, support and information for offenders’ families/whanau, assisting with accommodation, access to employment services and support to parolees/ex-inmates for reintegration.

Support Services for Inmates, Parolees and Remandees	Budget	Actual	Variance
<b>Quantity</b>			
The number of support service hours to be provided will be no more than	38,850	45,034	6,184 (16%)
<b>Quality</b>			
The percentage of offenders receiving assistance with planning for release or discharge for which an action plan is developed	95%	89%	-6%

**COMMENT:** The New Zealand Prisoners Aid and Rehabilitation Society (NZPARS) often provides one-off release tasks such as assisting with an inmate’s day parole but does not consider that this is an action plan and therefore does not record it as such. The offender does receive assistance with their planning for release or discharge but this does not always include the development of a formal action plan. The Department intends to have a more detailed national definition of the service that it wishes to purchase in future negotiations of services from NZPARS.

NZPARS is responding to demand for its services and as a result it has over-delivered on contracted hours. The Department is working with NZPARS to develop a priority-based service that will provide NZPARS with an opportunity to report on over-delivery separately to the contracted delivery targets.

## Output Class 5: Inmate Employment

Inmate Employment contributes to one of the Government's strategic priorities, which is to *"improve individuals' employment outcomes by expecting and encouraging active participation in work"* through the provision and administration of constructive activity and training opportunities. These are designed to help address the underlying causes of criminal re-offending by assisting inmates to develop relevant work habits and skills, thereby increasing their chances for post-release employment and to help with their reintegration into society.

### Output Class Statement: Inmate Employment

FOR THE YEAR ENDED 30 JUNE 2000

	Actual \$000	Supp. Estimates \$000	Variance \$000
<b>Revenue</b>			
Crown	10,539	10,539	0
Other	20,127	20,048	79
<b>Total revenue</b>	<b>30,666</b>	<b>30,587</b>	<b>79</b>
<b>Total expenses</b>	<b>30,442</b>	<b>30,587</b>	<b>145</b>
<b>Net surplus/(deficit)</b>	<b>224</b>	<b>0</b>	<b>224</b>

**CORRLAND** The provision of inmate employment and training opportunities in farm and other agri-business industries.

Corrland	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours worked by inmates employed within Corrland	470,000	536,000	66,000 (14%)
The hectares (ha) of farms and forests operated by Corrland:			
Farms:	ha	ha	ha
• Waikeria	1,063	1,063	Nil
• Tongariro	1,447	1,447	Nil
• Rangipo	1,400	1,400	Nil
• Christchurch	656	656	Nil
Forests:			
• Tongariro	4,134	4,134	Nil
• Ohura	376	376	Nil
<b>Quality</b>			
The number of inmates within Corrland who obtain recognised qualifications	500	1,512	1,012 (202%)
Economic farm surplus (EFS) per hectare:			
	EFS/ha	\$	\$
• sheep and beef	\$130–\$200	316	116 (58%)
• dairy	\$700–\$800	716	Nil
• mixed crop	\$50–\$100	n/a <sup>22</sup>	-
• forest	\$750–\$800	774	Nil

**COMMENT:** Sheep and beef prices have improved since the targets were set although dairy returns have been consistent. Log prices have fallen slightly since the targets were set.

<sup>22</sup> Mixed crop farming was not offered as a training opportunity this year.



**LAND-BASED ACTIVITIES** This output includes predominantly primary sector industries, with a large proportion (particularly the horticultural produce) being consumed within the prison. From time to time there may be opportunities to get more inmates to work by producing goods and/or services externally.

Land-based Activities	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours worked by inmates on non-Corrland land-based activities	690,000	626,551	-63,449 (-9%)
<b>Quality</b>			
The number of NZQA-trained assessors for land-based inmate employment activities <sup>23</sup>	5	14	9

**COMMENT:** A number of industries budgeted for expansion in 1999/2000 and have been delayed, thus contributing to the less-than-forecast number of hours being achieved.

<sup>23</sup> This measure will be reported on a half-yearly basis.

**INTERNAL SERVICE SELF-SUFFICIENCY ACTIVITIES** This output is predominantly focused on internal self-sufficiency, although spare capacity will be utilised to generate external revenue wherever possible. This output includes activity categories such as:

- kitchens
- other internal servicing such as laundry and cleaning
- asset maintenance such as building maintenance, grounds/beautification activity and vehicle servicing.

Internal Service Self-sufficiency Activities	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours worked by inmates on internal service self-sufficiency activities			
	2,800,000	2,987,954	187,954 (7%)
<b>Quality</b>			
The number of NZQA-trained assessors for internal service self-sufficiency inmate employment activities			
	5	21	16

**COMMENT:** This is a result of the greater-than-expected use of internal service activities to provide inmates with managed activities that increase their skill levels and make productive use of their time.

**MANUFACTURING ACTIVITIES** This output incorporates inmate employment predominantly undertaken in secondary sector industries, although some service operations are undertaken. These may be activities owned and operated by the Department or be labour-supply only arrangements with relevant private sector parties.

Manufacturing Activities	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours worked by inmates on manufacturing activities	825,000	697,622	-127,378 (-15%)
<b>Quality</b>			
The number of NZQA-trained assessors for manufacturing inmate employment activities <sup>24</sup>	5	6	1

**COMMENT:** There has been a lower-than-expected demand for products associated with the Department's manufacturing activities during 1999/2000. There have also been start-up delays for some activities.



*Inmates at work in the Rolleston Prison tailorshop.*

<sup>24</sup> This measure will be reported on a half-yearly basis.

**COMMUNITY SERVICE AND RELEASE TO WORK** These are the “other” categories of Inmate Employment and include:

- Community Service: only activities undertaken for not-for-profit organisations or local/central government organisations, generally on a labour-supply only arrangement. External revenue will be generated wherever possible to minimise departmental expenditure. However, any net cost to the Department will need to be offset by a “comparable social benefit”.
- Release to Work: low-risk inmates who meet various criteria are employed by private sector operators in accordance with the Department’s Release to Work Policy.

Community Service and Release to Work	Budget	Actual	Variance
<b>Quantity</b>			
The number of hours worked by inmates on community service and Release to Work activities			
	180,000	186,278	6,278 (4%)
<b>Quality</b>			
The number of NZQA-trained assessors for activities undertaken as a community service <sup>25</sup>			
	2	3	1

<sup>25</sup> This measure will be reported on a half-yearly basis.

## Output Class 6: Custody of Remand Inmates

This class of outputs covers purchasing custodial remand services and facilities to hold people charged with offences, and offenders convicted but not yet sentenced, in safe, secure and humane conditions, and to enable their appearance before the courts as required.

### Output Class Statement: Custody of Remand Inmates

FOR THE YEAR ENDED 30 JUNE 2000

	Actual	Supp.	Variance
	\$000	Estimates \$000	\$000
<b>Revenue</b>			
Crown	30,047	30,047	0
<b>Total revenue</b>	<b>30,047</b>	<b>30,047</b>	<b>0</b>
<b>Total expenses</b>	<b>28,889</b>	<b>30,047</b>	<b>1,158</b>
<b>Net surplus/(deficit)</b>	<b>1,158</b>	<b>0</b>	<b>1,158</b>

**CUSTODY OF REMAND INMATES** This output includes the administration of custodial remands in a custodial environment. It incorporates the costs of accommodation, security, transport, food and medical care, but not the cost of habilitation, employment or other interventions.

Custody of Remand Inmates	Budget	Actual	Variance
<b>Quantity</b>			
The average number of remand inmates	720	705	-17 (-2%)
<b>Quality</b>			
The number and percentage (of the average number of inmates) of break-outs per annum	3 (0.4%)	4 (0.6%)	1 (<1%)
The number and percentage (of the average number of inmates) of other escapes per annum	1 (0.1%)	1 (0.1%)	Nil (Nil)

**COMMENT:** During the last quarter two remand inmates broke out of Mt Eden Prison. The incident is the subject of an investigation by the Department’s Internal Audit Group. The findings of the investigation will be reported to the Assurance Board.

**Output Class 7:****Escort and Custodial Supervision Services to Courts**

This output class involves purchasing the safe, secure and humane transportation of inmates to and from court, and their safe and humane custody while at court.

**Output Class Statement:****Escort and Custodial Supervision Services to Courts**

FOR THE YEAR ENDED 30 JUNE 2000

	Actual	Supp. Estimates	Variance
	\$000	\$000	\$000
<b>Revenue</b>			
Crown	4,295	4,295	0
<b>Total revenue</b>	<b>4,295</b>	<b>4,295</b>	<b>0</b>
<b>Total expenses</b>	<b>4,180</b>	<b>4,295</b>	<b>115</b>
<b>Net surplus/(deficit)</b>	<b>115</b>	<b>0</b>	<b>115</b>

**ESCORT SERVICES** This output provides for the safe, humane and secure transportation of inmates to and from court.

Escort Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of inmates escorted in:			
• Northland/Auckland (including Police escorts)	20,092–22,207	22,159	Nil
• the remainder of New Zealand (excluding Chubb)	7,020–7,760	6,768	-252 (-4%)
<b>Quality</b>			
The maximum number of escapes by inmates during escort to and from court			
	2	0	-2

**COURTROOM CUSTODIAL SERVICES** This output provides for the safe and humane custody of inmates while they are at court.

Courtroom Custodial Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of inmates for whom courtroom custody is provided in:			
• Northland/Auckland	4,713–5,210	4,998	Nil
• the remainder of New Zealand (excluding Chubb)	8,329–9,205	8,712	Nil
<b>Quality</b>			
The maximum number of escapes by inmates while they are held in custody at court			
	1	0	-1



## Output Class 8: Policy Advice and Development

This output class involves the provision of advice, development of policies, and Ministerial servicing relating to the reduction of re-offending, the effective management of corrective services, and the review, evaluation and development of service standards.

### Output Class Statement: Policy Advice and Development

FOR THE YEAR ENDED 30 JUNE 2000

	Actual	Supp. Estimates	Variance
	\$000	\$000	\$000
<b>Revenue</b>			
Crown	3,801	3,801	0
<b>Total revenue</b>	<b>3,801</b>	<b>3,801</b>	<b>0</b>
<b>Total expenses</b>	<b>3,686</b>	<b>3,801</b>	<b>115</b>
<b>Net surplus/(deficit)</b>	<b>115</b>	<b>0</b>	<b>115</b>

**POLICY ADVICE AND DEVELOPMENT SERVICES** This output involves the provision of advice, development of policies that relate to the reduction of re-offending, the effective and efficient management of corrective services and the review, evaluation and development of service standards.

Policy Advice and Development Services	Budget	Actual	Variance
<b>Quantity</b>			
Advice will be delivered according to a work programme agreed with the Minister of Corrections	100%	87%	-13%
<b>Quality</b>			
The Minister of Corrections will expect advice to be delivered in accordance with the quality standards as outlined below:	100%	73%	-27%
<ul style="list-style-type: none"><li>• the aims of the paper have been clearly stated and they answer the questions that have been set</li><li>• the assumptions behind the advice are explicit, and the argument is logical and supported by the facts</li><li>• the facts in the paper are accurate and all material facts have been included</li><li>• an adequate range of options has been presented and each has been assessed for benefits, costs and consequences to the Government and the community</li><li>• there is evidence of adequate consultation with interested parties and possible objections to proposals have been identified</li><li>• the problems of implementation, technical feasibility, timing and consistency with other policies have been considered</li><li>• the format meets Cabinet Office requirements, the material is effectively and concisely summarised, has short sentences in plain English and is free of spelling or grammatical errors.</li></ul>			
<b>Timeliness</b>			
Policy advice purchased will be delivered within the specified reporting deadlines agreed with the Minister of Corrections	100%	80%	-20%

**COMMENT:** The quality of departmental policy advice was assessed through feedback from two Ministers (Hon. Clem Simich and Hon. Matt Robson) during the year. Feedback indicates that briefings and presentations are to the point, but there is a blurring between policy and operational matters. The Department is looking at revising the manner in which feedback is supplied to get a more detailed description of the Minister’s policy advice expectations.

**MINISTERIAL SERVICING** This output involves the purchase of responses to Ministerial correspondence and answers to Parliamentary Questions put to the Minister of Corrections.

Ministerial Servicing	Budget	Actual	Variance
<b>Quantity</b>			
The number of responses to be prepared to Ministerial correspondence is estimated to be	300–400	535	135 (34%)
The number of responses to Parliamentary Questions is estimated to be	250–300	243	-7 (-3%)
<b>Quality</b>			
The percentage of replies returned for redrafting will not exceed	10%	7%	-3%
All responses are signed out by either a General Manager or, in his or her absence, an appropriate manager	100%	100%	Nil
<b>Timeliness</b>			
The percentage of responses to Ministerial correspondence completed within the timeframes agreed with the Minister's office will be	90%	79%	-11%
The percentage of responses to Parliamentary Questions completed within the timeframes set by the Minister's office will be	100%	96%	-4%

**COMMENT:** The volumes of Ministerial correspondence dropped off halfway through this period with the General Election. The numbers of Parliamentary Questions remained low for the rest of the year. However Ministerial correspondence was at above forecast figures for the second half of the year. Issues related to Corrections' activities continued to generate wide public interest. Timeliness for Ministerial Servicing has improved from the previous year, and this will continue to be a focus in the next year.

PROVISION OF PSYCHOLOGICAL AND OTHER RESEARCH

This output involves the provision of psychological research and other approved projects of a psychological nature.

Provision of Psychological and Other Research	Budget	Actual	Variance
<b>Quantity</b>			
The percentage of research and evaluation delivered to agreed project milestones	95%	100%	5%
<b>Quality</b>			
The percentage of psychological and other research that will be provided to the criteria contained in the Psychological Service Manual:	95%	100%	5%
<ul style="list-style-type: none"><li>• the hypothesis/aim of the research is clearly stated; capable of being tested; uses minimal variables; is resourced appropriately</li><li>• data collection is to meet appropriate standards of research design, and appropriate analysis tools are to be used</li><li>• the results are accurately and clearly described</li><li>• there is concise and thorough explanation of the implications of the results for the issues investigated</li><li>• the research should be peer reviewed both internally and externally</li><li>• the report is written in a format appropriate to the audience</li><li>• the aims of the paper are accurate and all material facts have been included</li><li>• the material is free of spelling or grammatical errors and an executive summary is provided if the report exceeds five pages</li><li>• when possible the material is published within internationally recognised journals.</li></ul>			

## Output Class 9: Contract Management Services

This output class involves the development, purchasing and monitoring of contracts entered into with both internal and external providers. Also included in this output class are the provision of custodial assurance, inspectorate services and National System services.

### Output Class Statement: Contract Management Services

FOR THE YEAR ENDED 30 JUNE 2000

	Actual	Supp. Estimates	Variance
	\$000	\$000	\$000
<b>Revenue</b>			
Crown	3,975	3,975	0
<b>Total revenue</b>	<b>3,975</b>	<b>3,975</b>	<b>0</b>
<b>Total expenses</b>	<b>3,682</b>	<b>3,975</b>	<b>293</b>
<b>Net surplus/(deficit)</b>	<b>293</b>	<b>0</b>	<b>293</b>

PURCHASE AND MONITORING OF SERVICE DELIVERY

This output involves the development and ongoing management of:

- Internal Purchase Agreements with the three internal providers of Corrections services (Public Prisons Service, Community Probation Service and Psychological Service)
- contracts for services purchased from external providers.

Service delivery is monitored in terms of quantity and quality, and remedial action is taken if service delivery is unsatisfactory. Also included is the development of Service Level Agreements with other government agencies (for example, the Department for Courts and the Police).

Purchase and Monitoring of Service Delivery	Budget	Actual	Variance
<b>Quantity</b>			
The number of Internal Purchase Agreements with internal providers	3	3	Nil
The number of contracts to be negotiated with external providers	174–194	99	-75 (-43%)
The number of contracts with habilitation centres and Montgomery House	5	4	-1 (-20%)
<b>Quality</b>			
The percentage of Community Funding contracts with a value of \$20,000 (or over) that have performance measures and standards to the criteria outlined below:	100%	100%	Nil
<ul style="list-style-type: none"><li>• the correct parties to the contract are specifically identified and the parties have legal power to contract and are a legal entity</li><li>• the term of the contract has been identified</li><li>• the price is identified in the schedule of the contract</li><li>• the payment regime is specified</li><li>• the format and dates of reporting requirements are stated</li><li>• the mechanism for resolving disputes is stated</li><li>• the programme is clearly described (including programme aims, content and delivery process)</li><li>• the contract is legal.</li></ul>			

The percentage of contracts that meet the following standards:	100%	100%	Nil
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- services are clearly described
- performance measures and standards are specified
- price and payment regime (including incentives as appropriate) are specified
- format and dates of reporting requirements are specified.

#### Timeliness

The percentage of Community Funding contracts with a value of \$20,000 (or over) agreed and in place by the agreed date	95%	100%	5%
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**COMMENT:** Negotiation of the Community Probation Service's contracts with external providers takes place prior to the beginning of the financial year. The figure of 99 contracts represents all the contracts negotiated with external providers in the 1999/2000 financial year. The Community Probation Service moved to put in place a Standard Purchase Agreement instead of contracts for those providers providing services less than \$5,000. The Standard Purchase Agreement outlines what is required from providers and simplifies the compliance process for providers providing services less than \$5,000 and fewer contracts were negotiated due to this change.

The resource consent for Challenge Trust Habilitation Centre was declined and it did not open as planned.

**PROVISION OF INSPECTORATE SERVICES** This output involves the provision of an inspection service that monitors systems and standards in relation to sentence management, investigates incidents, investigates complaints received from offenders and ensures that the complaints system within prisons is working as intended. The Inspectorate also provides reports to the Assurance Board and is independent of the service groups that it inspects.

Provision of Inspectorate Services	Budget	Actual	Variance
<b>Quantity</b>			
Number of inspections in the inspectorate work programme for 1999/2000 as approved by the Assurance Board will be as follows:			
• routine visits	80–120	80	Nil
• special investigations	10–30	17	Nil
<b>Quality</b>			
The percentage of inspections that are carried out to the following criteria:			
• to a quality which satisfies the Assurance Board	100%	100%	Nil
• according to the guidelines and standards of the New Zealand Institute of Internal Auditors.			
<b>Timeliness</b>			
All reports on routine inspection visits will be finished within one month of the visit. All special reports will be finished within the time period agreed in the terms of reference for the investigation.			
	100%	98%	-2%



## PROVISION OF NATIONAL SYSTEMS SERVICES

This output involves:

- the provision and co-ordination of operational policy and practices for the management of offenders within and between national corrections system services
- the provision of secretariat services to the Parole Board
- the provision and co-ordination of offender information services, including intelligence information to internal and external agencies
- the administration of the Victims Notification Register.

Provision of National Systems Services	Budget	Actual	Variance
<b>Quantity</b>			
The number of National Systems transactions <sup>26</sup>	3,000	747	-2,253 (-75%)
The number of Parole Board meeting days to be supported	30	37	7 (23%)
The number of offender information transactions to be completed <sup>27</sup>	18,000	26,523	8,525 (47%)
<b>Quality</b>			
The percentage of transactions completed according to criteria detailed in statutes, executive delegations and authorisations, and national systems	98%	100%	2%
The percentage of reports provided to the standards required by the Parole Board	95%	95%	Nil
The percentage of offender information transactions that are completed according to National Systems criteria	98%	98%	Nil

<sup>26</sup> Includes temporary releases, escorted outings, segregations, transfers, early releases, victim notification requests and security classification reviews.

<sup>27</sup> Includes initial security classification forms processed, review of security classification forms processed, criminal history checks processed, Visiting Justice misconduct decisions processed, IRD requests processed, Department of Work and Income requests processed, new files activated, old files activated and archive transactions processed.

**Timeliness**

All National Systems transactions to be completed within seven working days of applications being received			
	100%	100%	Nil
The percentage of reports provided within deadlines set by the Parole Board			
	95%	95%	Nil

**COMMENT:** A change in delegations affecting the management of offenders has resulted in more decision-making being undertaken by the service providers. Decision-making delegations were reviewed and as a result more of such decisions are now taken further down in the organisation. With the ever-increasing volumes of inmates appearing before the Parole Board, a greater demand has been placed on providing relevant reports to the Board. Despite the demands, the performance standard for the Board receiving its reports was achieved.



## STATEMENT OF

## Accounting Policies

FOR THE YEAR ENDED 30 JUNE 2000

**REPORTING ENTITY** The Department of Corrections is a government department as defined by section 2 of the Public Finance Act 1989.

These are the financial statements of the Department of Corrections prepared pursuant to section 35 of the Public Finance Act 1989.

In addition, the Department has reported on the trust monies which it administers.

**REPORTING PERIOD** The reporting period covers the 12 months from 1 July 1999 to 30 June 2000. Comparative figures for the financial year ended 30 June 1999 are provided.

**MEASUREMENT SYSTEM** The financial statements have been prepared on the basis of modified historical cost.

## Accounting Policies

**PRINCIPLES OF CONSOLIDATION** Interdivisional transactions and internal charges have been eliminated on consolidation.

**BUDGET FIGURES** The Budget figures are those presented in the Departmental Forecast Report (Main Estimates) and those amended by the Supplementary Estimates and any transfer made by Order in Council under section 5 of the Public Finance Act 1989 (Supplementary Estimates).

**REVENUE** The Department derives revenue through the provision of outputs to the Crown, from the sale of goods and services to third parties and interest on its deposits with New Zealand Debt Management Office (NZDMO). Such revenue is recognised when earned and is reported in the financial period to which it relates.

**COST ALLOCATION TO OUTPUTS** Salaries and related costs of service delivery divisions are charged to outputs on the basis of activity analysis. Activities which are directly related to individual outputs are regarded as direct costs and charged accordingly.

All other costs of service delivery divisions and total costs of support groups are regarded as indirect costs to outputs and are allocated to outputs on the basis of measurement of resource consumption or activity analysis.

**RECEIVABLES** Receivables are valued at net realisable value, after making allowance for amounts considered to be doubtful.

**OPERATING LEASES** Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

**FIXED ASSETS** The initial cost of a fixed asset is the value of the consideration given to acquire or create the asset and any directly attributable costs of bringing the asset to working condition for its intended use.

Land and buildings are revalued every three years:

- prison buildings on the basis of a specific-use alternative market value
- periodic detention centres on the basis of an optimised depreciated replacement cost.

Valuations are conducted by independent valuers and are in accordance with the New Zealand Institute of Valuers' standards.

Land and buildings were revalued as at 30 June 1999.

All other fixed assets costing more than \$3,000 are capitalised and recorded at historical cost.

**FORESTS** The tree crop is valued at market value on the basis that the Department retains the forests to maturity. The market value is based on a three-year rolling average of prices published by the Ministry of Forestry.

**DEPRECIATION** Depreciation of fixed assets, other than freehold land, is provided on a straight line basis over their estimated economic useful lives. There is no allowance for residual values, except for “motor vehicles – other”, which have a residual value of 20 percent of cost. Revalued assets are depreciated on their revalued amount on a straight line basis over their remaining useful lives. The estimated economic useful lives are:

ASSET CATEGORY	ESTIMATED ASSET LIFE
Buildings	50 years
Building fit-outs	various
Hut complexes	25 years
Hut fit-outs	various
Plant and machinery	10 years
Leasehold improvements	10 years
Motor vehicles – heavy duty	8 years
Motor vehicles – other	5 years
Furniture and fittings – office	5 years
Office equipment	5 years
Tools and equipment	5 years
Information technology – network	5 years
Information technology – specialised	various
Information technology – PC based	3 years
Furniture and fittings – inmate	3 years

The useful life of buildings is reassessed following any revaluation. Where the fixed term of a lease is for less than 10 years, excluding rights of renewal, the useful life for leasehold improvements is set at that lesser period.

Depreciation is not provided on capital work in progress, land or forests.

**INVENTORY** Finished goods, raw materials and work in progress are valued at the lower of cost or net realisable value. Costs have been assigned to inventory quantities on hand at balance date using the first-in first-out basis for finished goods and work in progress, and the weighted-average basis for raw materials. Cost comprises direct material and direct labour together with an appropriate portion of fixed and variable production overheads.

**EMPLOYEE ENTITLEMENTS** Provision is made in respect of the Department's liability for annual, long service and retirement leave. Annual leave owed has been calculated on an actual entitlement basis. Vested long service leave and retiring leave have been calculated on actual entitlement, whereas non-vested long service and retiring leave have been calculated on an actuarial basis based on the present value of expected future entitlements.

**STATEMENT OF CASH FLOWS** *Cash* means cash balances on hand, held in bank accounts, and deposits with the New Zealand Debt Management Office.

*Operating activities* include cash received from all income sources of the Department and the cash payments made for the supply of goods and services.

*Investing activities* are those activities relating to the acquisition and disposal of non-current assets.

*Financing activities* comprise capital injections by, or repayment of capital to, the Crown.

**LIVESTOCK** Livestock is valued using Inland Revenue's national average market values. Gains due to changes in the per head value of the livestock herd at balance date are taken to the Revaluation Reserve. Losses due to changes in the per head value are applied against the Revaluation Reserve to the extent that there are sufficient reserves; otherwise they are taken to the Statement of Financial Performance. Gains and losses due to changes in livestock numbers are taken directly to the Statement of Financial Performance.

**INVESTMENTS** Investments are valued at the lower of cost or net realisable value. Investments arise from the Department's dealings with companies in the farming industry.

**FINANCIAL INSTRUMENTS** The Department is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short-term deposits, debtors and creditors. All financial instruments are recognised in the Statement of Financial Position, and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.

**GOODS AND SERVICES TAX (GST)** The Statement of Financial Performance, Statement of Movements in Taxpayers' Funds, Statement of Cash Flows, Statement of Commitments and Statement of Contingent Liabilities are exclusive of GST. The Statement of Financial Position is also exclusive of GST except for Creditors and Payables and Debtors and Receivables which are GST inclusive. All other statements are GST inclusive. The amount of GST owing to the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables.

**TAXATION** Government departments are exempt from the payment of income tax in terms of the Income Tax Act 1976. Accordingly, no charge for income tax has been provided for.



**FOREIGN CURRENCY** Foreign currency transactions are converted into New Zealand dollars at the exchange rate at the date of the transaction. Where a forward exchange contract has been used to establish the price of a transaction, the forward rate specified in that foreign exchange contract is used to convert the transaction to New Zealand dollars. Consequently, no exchange gain or loss resulting from the difference between the forward exchange contract rate and the spot exchange rate on date of settlement is recognised.

**COMMITMENTS** These are future payments and expenditures to be incurred on capital and operating contracts that have been entered into at balance date and are valued at known cost. Commitments relating to employment contracts are not disclosed.

**CONTINGENT LIABILITIES** Contingent liabilities are disclosed at the point at which a contingency is evident.

**TAXPAYERS' FUNDS** This is the Crown's net investment in the Department.

**CHANGES IN ACCOUNTING POLICIES** There have been no changes in accounting policies, including cost allocation accounting policies, since the date of the last audited financial statements.

All policies have been applied on a basis consistent with other years.

STATEMENT OF  
Financial Performance

FOR THE YEAR ENDED 30 JUNE 2000

30/06/99 Actual			30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		Notes	\$000	\$000	\$000
	<b>Revenue</b>				
354,761	Crown	1	362,020	363,836	362,020
19,217	Other	2	20,127	19,298	20,048
<b>373,978</b>	<b>Total revenue</b>		<b>382,147</b>	<b>383,134</b>	<b>382,068</b>
	<b>Expenditure</b>				
187,589	Personnel costs	4	191,360	190,150	188,610
131,073	Operating costs	5	110,280	116,601	114,574
29,092	Depreciation		32,806	31,187	33,521
54,887	Capital charge	6	45,363	45,196	45,363
12,587	Other expenses	7	-	-	-
<b>415,228</b>	<b>Total expenses</b>		<b>379,809</b>	<b>383,134</b>	<b>382,068</b>
<b>(41,250)</b>	<b>Net surplus/(deficit)</b>		<b>2,338</b>	<b>-</b>	<b>-</b>

The accompanying accounting policies and notes form part of these financial statements.

## STATEMENT OF

## Movement In Taxpayers' Funds

FOR THE YEAR ENDED 30 JUNE 2000

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000	Notes	\$000	\$000	\$000
<b>491,467</b>	<b>Taxpayers' funds as at 1 July</b>	<b>453,628</b>	<b>451,955</b>	<b>453,628</b>
(41,250)	Net operating surplus/(deficit)	2,338	-	-
(36,503)	Increase/(decrease) in revaluation reserves 8	1,565	-	-
<b>(77,753)</b>	<b>Total recognised revenues and expenses for the year</b>	<b>3,903</b>	<b>-</b>	<b>-</b>
40,600	Capital contribution	31,334	28,834	31,334
(686)	Provision for repayment of surplus to the Crown 14	(2,338)	-	-
<b>453,628</b>	<b>Taxpayers' funds as at 30 June</b>	<b>486,527</b>	<b>480,789</b>	<b>484,962</b>

The accompanying accounting policies and notes form part of these financial statements.

## STATEMENT OF Financial Position<sup>28</sup>

AS AT 30 JUNE 2000

30/06/99 Actual			30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000	Notes		\$000	\$000	\$000
		<b>Taxpayers' funds</b>			
451,359	General funds 8		482,693	479,333	482,693
2,269	Revaluation reserve 8		3,834	1,456	2,269
<b>453,628</b>	<b>Total taxpayers' funds</b>		<b>486,527</b>	<b>480,789</b>	<b>484,962</b>
		Represented by:			
		<b>Current assets</b>			
41,106	Cash 9		8,522	7,656	9,282
399	Prepayments		452	750	600
2,317	Receivables 10		4,166	2,240	3,125
1,935	Inventories		2,031	1,800	1,900
<b>45,757</b>	<b>Total current assets</b>		<b>15,171</b>	<b>12,446</b>	<b>14,907</b>
		<b>Non-current assets</b>			
4,592	Livestock		5,758	3,782	5,092
99	Long-term receivables		-	160	160
303	Investments 11		1,693	190	190
462,583	Fixed assets 12		519,003	516,189	529,162
<b>467,577</b>	<b>Total non-current assets</b>		<b>526,454</b>	<b>520,321</b>	<b>534,604</b>
<b>513,334</b>	<b>Total assets</b>		<b>541,625</b>	<b>532,767</b>	<b>549,511</b>
		<b>Current liabilities</b>			
33,585	Creditors and payables 13		26,658	28,282	38,752
	Provision for repayment of surplus to the Crown 14		2,338	-	-
17,638	Provision for employee entitlements 15		18,126	23,696	18,000
-	Capital charge payable		-	-	-
<b>51,909</b>	<b>Total current liabilities</b>		<b>47,122</b>	<b>51,978</b>	<b>56,752</b>
		<b>Non-current liabilities</b>			
7,797	Provision for employee entitlements 15		7,976	-	7,797
<b>7,797</b>	<b>Total non-current liabilities</b>		<b>7,976</b>	<b>-</b>	<b>7,797</b>
<b>59,706</b>	<b>Total liabilities</b>		<b>55,098</b>	<b>51,978</b>	<b>64,549</b>
<b>453,628</b>	<b>Net assets</b>		<b>486,527</b>	<b>480,789</b>	<b>484,962</b>

The accompanying accounting policies and notes form part of these financial statements.

<sup>28</sup> For information on major variances against budget refer to Note 19.

## STATEMENT OF Cash Flows<sup>29</sup>

FOR THE YEAR ENDED 30 JUNE 2000

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000	Notes	\$000	\$000	\$000
	<b>Cash flows</b>			
	<b>– operating activities</b>			
	Cash provided from:			
	Supply of outputs to			
354,761	- Crown	362,020	363,836	362,020
18,358	- Other	18,486	19,298	19,275
<b>373,119</b>		<b>380,506</b>	<b>383,134</b>	<b>381,295</b>
	Cash disbursed to:			
	Produce outputs			
279,880	- Output expenses	305,595	306,751	298,866
54,887	- Capital charge	45,363	45,196	45,363
<b>334,767</b>		<b>350,958</b>	<b>351,947</b>	<b>344,229</b>
<b>38,352</b>	<b>Operating activities net cash flows</b>	<b>29,548</b>	<b>31,187</b>	<b>37,066</b>
	<b>Cash flows</b>			
	<b>– investing activities</b>			
	Cash provided from:			
8,898	Sale of fixed assets	2,803	2,400	2,400
	Cash disbursed for:			
65,921	Purchase of fixed assets	95,583	74,500	101,938
<b>(57,023)</b>	<b>Investing activities net cash flows</b>	<b>(92,780)</b>	<b>(72,100)</b>	<b>(99,538)</b>
	<b>Cash flows</b>			
	<b>– financing activities</b>			
	Cash provided from:			
40,600	Capital contributions	31,334	28,834	31,334
	Cash disbursed for:			
5,059	Repayment of surplus	686	-	686
<b>35,541</b>	<b>Financing activities net cash flows</b>	<b>30,648</b>	<b>28,834</b>	<b>30,648</b>
	Net increase/(decrease)			
16,870	in cash held	(32,584)	(12,079)	(31,824)
	Add opening cash			
24,236	and deposits	41,106	19,735	41,106
<b>41,106</b>	<b>Closing cash and deposits</b>	<b>8,522</b>	<b>7,656</b>	<b>9,282</b>

The accompanying accounting policies and notes form part of these financial statements.

<sup>29</sup> For information on major variances against budget refer to Note 19.

## RECONCILIATION OF

## Net Surplus to Net Cash Flow from Operating Activities

FOR THE YEAR ENDED 30 JUNE 2000

30/06/99 Actual \$000	30/06/00 Actual \$000	30/06/00 Main Estimates \$000	30/06/00 Supp. Estimates \$000
(41,250) <b>Net surplus/(deficit)</b>	2,338	-	-
Add/(less) non-cash items			
29,092 Depreciation	32,806	31,187	33,521
Inc/(dec) other non-cash items	114	-	-
31,436			
<b>60,528 Total non-cash items</b>	<b>32,920</b>	<b>31,187</b>	<b>33,521</b>
<b>Working capital movements</b>			
(331) (Inc)/dec in receivables	(1,849)	-	(808)
(803) (Inc)/dec in inventories	(96)	-	35
600 (Inc)/dec in prepayments	(53)	-	(201)
Inc/(dec) in creditors			
10,624 and payables	(4,030)	-	4,105
Inc/(dec) in employee			
9,557 entitlements	667	-	362
- Other items	-	-	52
<b>Working capital movements – net</b>	<b>(5,361)</b>	<b>-</b>	<b>3,545</b>
Net current assets/(liabilities) forming part of capital			
- contribution	-	-	-
Add/(less) investing			
113 activity items	(1,390)	-	-
Net loss/(gain) on sale			
(686) of fixed assets	1,041	-	-
<b>Total investing activity items</b>	<b>(349)</b>	<b>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>	<b>29,548</b>	<b>31,187</b>	<b>37,066</b>
<b>38,352</b>			

The accompanying accounting policies and notes form part of these financial statements.

## STATEMENT OF Commitments

AS AT 30 JUNE 2000

The Department has long-term leases on premises at many locations throughout New Zealand. The amounts disclosed below as future commitments are based on current rental rates.

Operating leases include lease payments for premises, computer equipment, telephone exchange systems, facsimile machines and photocopiers.

30/06/99 Actual \$000		30/06/00 Actual \$000
5,838	Less than one year	32,123
4,227	One to two years	26,248
8,842	Two to five years	69,917
5,050	More than five years	4,148
<b>23,957</b>	<b>Total operating commitments</b>	<b>132,436</b>
<b>57,200</b>	<b>Capital commitments</b>	<b>10,543</b>
<b>81,157</b>	<b>Total commitments</b>	<b>142,979</b>

The Department has entered into non-cancellable contracts for computer maintenance and other contracts for goods and services. These non-cancellable contracts totalled \$14.028 million as at 30 June 2000 (1999: \$12.060 million).

The increase in operating commitments is largely due to a contract entered into with Australasian Correctional Management, who have obtained the management contract of Auckland Central Remand Prison.

The decrease in capital commitments is largely due to Auckland Central Remand Prison being very close to completion in June 2000.

*The accompanying accounting policies and notes form part of these financial statements.*

STATEMENT OF  
Contingent Liabilities

AS AT 30 JUNE 2000

Quantifiable contingent liabilities amount to \$4.823 million. As at 30 June 1999 the comparable amount was \$7.026 million. These liabilities relate to personal grievances or compensation claims by staff and to other legal action lodged against the Department.

STATEMENT OF  
Unappropriated Expenditure

FOR THE YEAR ENDED 30 JUNE 2000

The Department had no unappropriated expenditure for the financial year ended 30 June 2000 (1998/99: nil).

*The accompanying accounting policies and notes form part of these financial statements.*



## STATEMENT OF

# Departmental Expenditure and Appropriations

FOR THE YEAR ENDED 30 JUNE 2000
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(Figures are GST inclusive where applicable)

	30/06/00 Expenditure Actual \$000	30/06/00 Appropriation Voted* \$000
<b>Note: Corrections</b>		
<b>Appropriations for classes of outputs</b>		
D1 – Information Services	25,222	25,313
D2 – Community-based Sentences and Orders	52,384	52,417
D3 – Custodial Sentences	236,384	236,597
D4 – Rehabilitative Programmes	33,611	33,708
D5 – Inmate Employment	34,275	34,411
D6 – Custody of Remand Inmates	32,645	33,802
D7 – Escort and Custodial Supervision to Courts	4,717	4,832
D8 – Policy Advice and Development	4,161	4,276
D9 – Contract Management Services	4,179	4,472
<b>Sub-total</b>	<b>427,578</b>	<b>429,828</b>
<b>Appropriation for capital contributions</b>	<b>31,334</b>	<b>31,334</b>
<b>Sub-total</b>	<b>31,334</b>	<b>31,334</b>
<b>Total</b>	<b>458,912</b>	<b>461,162</b>

- \* This includes adjustments made in the Supplementary Estimates and transfers under section 5 of the Public Finance Act 1989.

*The accompanying accounting policies and notes form part of these financial statements.*

STATEMENT OF  
Trust Monies

FOR THE YEAR ENDED 30 JUNE 2000						
Account	As at 1/07/99 \$000	Contribution \$000	Distribution \$000	Revenue \$000	Expenses \$000	As at 30/06/00 \$000
Prison Trust Accounts	426	6,267	6,369	-	-	324
	426	6,267	6,369	-	-	324

These accounts represent amounts held at each prison on behalf of inmates for the purchase of toiletries and other miscellaneous items.

*The accompanying accounting policies and notes form part of these financial statements.*

## NOTES TO THE Financial Statements

FOR THE YEAR ENDED 30 JUNE 2000

### Note 1: Revenue – Crown

This is revenue earned for the supply of outputs to the Crown.

### Note 2: Other Revenue

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
15,186	Timber and livestock	15,598	15,798	15,798
1,331	Rents	771	1,500	1,500
1,981	Prison industry sales	3,337	2,000	2,750
33	Other	421	-	-
	Net gain on sale of fixed			
686	assets (Note 3)	-	-	-
<b>19,217</b>	<b>Total other revenue</b>	<b>20,127</b>	<b>19,298</b>	<b>20,048</b>

### Note 3: Net Gain/(Loss) on Sale of Fixed Assets

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
794	Land and buildings	(1,033)	-	-
70	Plant and equipment	(252)	-	-
-	Furniture and fittings	-	-	-
-	Leasehold improvements	-	-	-
(104)	Motor vehicles	(38)	-	-
(74)	Other	282	-	-
	Net gain/(loss) on sale			
<b>686</b>	<b>of fixed assets</b>	<b>(1,041)</b>	<b>-</b>	<b>-</b>

**Note 4: Personnel Costs**

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
187,026	Salaries and wages	190,601	189,592	188,030
563	Retirement and long service leave	759	558	580
<b>187,589</b>	<b>Total personnel costs</b>	<b>191,360</b>	<b>190,150</b>	<b>188,610</b>

**Note 5: Operating Costs**

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
5,735	Operating lease rentals	6,175	5,274	6,128
	Audit fees to auditors for audit of the			
230	financial statements	210	250	240
60	Fees to auditors for other services provided	61	-	-
	Revaluation losses			
31,436	(Note 8 and 12)	-	-	-
14,629	Facilities maintenance	17,992	18,894	17,503
	Offender management			
22,070	costs	26,498	23,574	27,937
40,412	Administration	38,823	49,619	44,077
	Other operating			
16,501	costs	19,480	18,990	18,689
	Loss on sale of fixed			
-	assets (Note 3)	1,041	-	-
<b>131,073</b>	<b>Total operating costs</b>	<b>110,280</b>	<b>116,601</b>	<b>114,574</b>

**Note 6: Capital Charge**

The Department pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year.

The capital charge rate for the year ended 30 June 2000 was 10% per annum (1999: 11%).

**Note 7: Other Expenses**

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
7,797	Non-vested long service and retiring leave	-	-	-
4,790	Loss on sale of forests	-	-	-
<b>12,587</b>	<b>Total other expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note 8: Taxpayers' Funds

Taxpayers' Funds comprises two components

General Funds

30/06/99 Actual		30/06/00 Actual	30/06/00 Main Estimates	30/06/00 Supp. Estimates
\$000		\$000	\$000	\$000
452,695	Taxpayers' funds as at 1 July	451,359	450,499	451,359
(41,250)	Net surplus/(deficit)	2,338	-	-
40,600	Capital contribution	31,334	28,834	31,334
(650)		33,672	28,834	31,334
(686)	Provision for repayment of surplus to the Crown	(2,338)	-	-
451,359	General funds as at 30 June	482,693	479,333	482,693

Revaluation Reserve

30/06/99 Total Actual \$000	30/06/00 Livestock \$000	30/06/00 Forests \$000	30/06/00 Shares \$000	30/06/00 Total Actual \$000	30/06/00 Main Estimates \$000	30/06/00 Supp. Estimates \$000
38,772	Balance brought forward	1,860	-	2,269	1,456	2,269
-	Gains on revaluation realised (transferred to - general funds)	-	-	-	-	-
(36,503)	Revaluation changes at 30 June	261	734	1,565	-	-
2,269	Balance at 30 June	2,121	734	3,834	1,456	2,269

There was no movement in land and buildings reserves this year.

**Note 9: Cash**

Included within cash at 30 June 1999 was an amount of NZ \$0.179 million representing the forward purchase of US \$0.093 million for the information technology project. This foreign exchange transaction was concluded during the current financial year.

**Note 10: Receivables**

30/06/99 Actual \$000		30/06/00 Actual \$000
2,159	Trade debtors	3,800
158	Other	366
<b>2,317</b>	<b>Total receivables</b>	<b>4,166</b>

**Note 11: Investments**

The increase in investments is primarily due to the issue by the New Zealand Dairy Group of shares to the Department in lieu of dividends. In order to continue business with the New Zealand Dairy Group, the Department must hold shares given to it by the Group.

## Note 12: Fixed Assets

30/06/99 \$000		30/06/00 \$000
	<b>Freehold Land</b>	
56,166	At valuation	54,972
<b>56,166</b>	<b>Land – net current value</b>	<b>54,972</b>
	<b>Buildings</b>	
35,782	At cost	112,877
274,595	At valuation	273,111
-	Accumulated depreciation	19,016
<b>310,377</b>	<b>Buildings – net current value</b>	<b>366,972</b>
	<b>Leasehold Improvements</b>	
7,031	At cost	6,449
4,427	Accumulated depreciation	3,973
<b>2,604</b>	<b>Leasehold Improvements – net current value</b>	<b>2,476</b>
	<b>Forests</b>	
37,416	At valuation	37,428
<b>37,416</b>	<b>Forests – net current value</b>	<b>37,428</b>
	<b>Plant and Equipment</b>	
23,910	At cost	25,687
14,227	Accumulated depreciation	14,990
<b>9,683</b>	<b>Plant and Equipment – net book value</b>	<b>10,697</b>
	<b>Furniture and Fittings</b>	
5,048	At cost	4,927
4,031	Accumulated depreciation	3,712
<b>1,017</b>	<b>Furniture and Fittings – net book value</b>	<b>1,215</b>
	<b>Computer Equipment</b>	
42,560	At cost	50,073
10,412	Accumulated depreciation	18,356
<b>32,148</b>	<b>Computer Equipment – net book value</b>	<b>31,717</b>
	<b>Motor Vehicles</b>	
21,493	At cost	23,841
8,322	Accumulated depreciation	10,315
<b>13,171</b>	<b>Motor Vehicles – net book value</b>	<b>13,526</b>
	<b>Total fixed assets</b>	
504,002	At cost and valuation	589,365
41,419	Accumulated depreciation	70,362
<b>462,583</b>	<b>Total carrying amount of fixed assets</b>	<b>519,003</b>



Included within Buildings is an amount of \$49.2 million (1999: \$35.8 million) and within Computer Equipment \$3.8 million (1999: \$17.2 million), representing assets under the course of construction or development.

Land and Buildings are valued every three years. The annual valuation of forests was undertaken by departmental staff and was reviewed by an independent registered valuer, P F Olsen & Company Limited, on 30 June 2000.

The land holdings of the Department are subject to general Treaty of Waitangi claims. No reduction in value has been recognised in these financial statements but there may be restrictions on the Department disposing of the holdings except under Treaty claims procedures.

#### Note 13: Creditors and Payables

30/06/99 Actual \$000		30/06/00 Actual \$000
10,971	Trade creditors	7,432
20,946	Accrued expenses	17,684
1,668	GST payable	1,542
<b>33,585</b>	<b>Total creditors and payables</b>	<b>26,658</b>

#### Note 14: Provision for Repayment of Surplus to the Crown

30/06/99 Actual \$000		30/06/00 Actual \$000
-	Return of interest earned	-
686	Profit on sale of fixed assets	-
-	Net surplus from delivery of outputs	2,338
<b>686</b>	<b>Total provision for repayment of surplus to the Crown</b>	<b>2,338</b>

**Note 15: Provision for Employee Entitlements**

30/06/99 Actual \$000		30/06/00 Actual \$000
	<b>Non-current liabilities</b>	
7,797	Non-vested retirement and long service leave	7,976
<b>7,797</b>	<b>Total non-current portion</b>	<b>7,976</b>
	<b>Current liabilities</b>	
5,274	Vested retirement and long service leave	5,711
12,364	Annual leave	12,415
<b>17,638</b>	<b>Total current portion</b>	<b>18,126</b>
<b>25,435</b>	<b>Total provision for employee entitlements</b>	<b>26,102</b>

**Note 16: Financial Instruments**

The Department is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, investments, accounts receivable and trade creditors.

*Credit Risk* is the risk that a third party will default on its obligations to the Department, causing the Department to incur a loss. In the normal course of business, the Department incurs credit risk from trade debtors, and transactions with financial institutions and the New Zealand Debt Management Office (NZDMO).

The Department does not require any collateral or security to support financial instruments with financial institutions that the Department deals with, or with the NZDMO. For its other financial instruments, the Department does not have significant concentrations of credit risk.

*Fair Value* of all financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

*Currency Risk* is the risk that debtors and creditors due in foreign currency will fluctuate because of changes in foreign exchange rates.

*Interest Rate Risk* is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could impact on the return on investments or the cost of borrowing. The Department has no significant exposure to interest rate risk on its financial instruments.

Under section 46 of the Public Finance Act the Department cannot raise a loan without Ministerial approval and no such loans have been raised. Accordingly, there is no interest rate exposure for funds borrowed.

#### **Note 17: Contingencies**

The Department does not have any contingent assets as at 30 June 2000 (30 June 1999: nil).

Contingent liabilities are separately disclosed in the Statement of Contingent Liabilities.

#### **Note 18: Related Party Information**

The Department is a wholly-owned entity of the Crown. The Government significantly influences the roles of the Department as well as being its major source of revenue.

The Department enters into numerous transactions with other government departments, Crown agencies and state-owned enterprises on an “arm’s length” basis. These transactions are not considered to be related party transactions.

Apart from those transactions described above, the Department has not entered into any related party transactions.

#### **Note 19: Major Budget Variations**

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*Statement of Financial Position (and Cash Flows)* Total non-current assets, and cash spent on the purchase of fixed assets, were less than projected primarily because of an extended scope in the building programme and because of slower-than-anticipated progress in the security and safety projects.

Total current liabilities at the end of the year were less than projected in the Supplementary Estimates primarily due to timing issues arising from when payments were made around year-end.

#### **Note 20: Post Balance Date Events**

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There are no post balance date events.



# Audit New Zealand

## Report of the Audit Office

*To the readers of the Financial Statements of the Department of Corrections for the year ended 30 June 2000.*

We have audited the financial statements on pages 39 to 122. The financial statements provide information about the past financial and service performance of the Department of Corrections and its financial position as at 30 June 2000. This information is stated in accordance with the accounting policies set out on pages 98 to 103.

**RESPONSIBILITIES OF THE CHIEF EXECUTIVE** The Public Finance Act 1989 requires the Chief Executive to prepare financial statements in accordance with generally accepted accounting practice which fairly reflect the financial position of the Department of Corrections as at 30 June 2000, the results of its operations and cash flows and the service performance achievements for the year ended 30 June 2000.

**AUDITORS' RESPONSIBILITIES** Section 38(1) of the Public Finance Act 1989 requires the Audit Office to audit the financial statements presented by the Chief Executive. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and report its opinion to you.

The Controller and Auditor-General has appointed H C Lim, of Audit New Zealand, to undertake the audit.

**BASIS OF OPINION** An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Chief Executive in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Department of Corrections' circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards, including the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

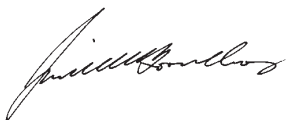
We have performed assurance-related assignments for the Department of Corrections. Other than in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in the Department of Corrections.

**UNQUALIFIED OPINION** We have obtained all the information and explanations we have required.

In our opinion the financial statements of the Department of Corrections on pages 39 to 122:

- comply with generally accepted accounting practice; and
- fairly reflect:
  - the financial position as at 30 June 2000;
  - the results of its operations and cash flows for the year ended on that date; and
  - the service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 26 September 2000 and our unqualified opinion is expressed as at that date.



H C Lim  
Audit New Zealand  
On behalf of the Controller and Auditor-General  
Wellington, New Zealand

# PART C

## Management Interest

**CAPITAL PROJECTS**

**INFORMATION TECHNOLOGY**

**HUMAN RESOURCE MANAGEMENT**

**PUBLIC SERVICE ETHICS AND INTEGRITY**

**STATUTORY AND ADVISORY BOARD REPORTS**

The Department has focused upon the following collective interest and ownership aspects during 1999/2000:

- Capital Projects
- Information Technology
- Human Resource Management
- Public Service Ethics and Integrity
- Statutory and Advisory Board Reports.

## Capital Projects

**GENERAL** As part of the Community Probation Service property refurbishment programme, a number of new offices have been opened, and refurbishment work undertaken at 20 other sites.

A new property management system to schedule and record maintenance and property inspection was introduced, and a major study into the level of deferred maintenance and statutory non-compliance on prison buildings was completed. Further progress was also made on the multi-year security upgrade of prison sites.

**REGIONAL PRISONS AND NEW FACILITIES** The Auckland Central Remand Prison was successfully completed, seeing the culmination of several years' work. The facility will hold 277 inmates, including 32 sentenced inmates who will assist with internal services.

A site in Northland was acquired during the year, following two years of consultation and planning. The Government also agreed to move towards site acquisition for a new men's and a new women's prison in Auckland, and a new men's prison in Dunedin. The women's facility will serve the upper North Island.

Specialist Youth Units at Hawkes Bay Regional Prison and Waikeria Prison were completed. The units cater for all inmates under 17 years of age and inmates aged 17 to 20



years who have been assessed as vulnerable. Accommodation for the special management of inmates at risk of suicide or self-harm was completed at Waikeria and Wanganui Prisons, as part of the Department's commitment to improving its risk management capabilities.

**PRISON CLOSURES AND SALES** The Addington and Wanganui City Prisons were decommissioned and sold.

**INMATE EMPLOYMENT** A number of the initiatives undertaken during the year were targeted at providing internal services whilst also providing valuable skills for inmates. These included the fabrication and erection of several kilometres of prison perimeter fencing, and the expansion of both the Wellington Prison print shop and the Waikeria bakery.

Other employment ventures undertaken included the use of forestry gangs from Hawkes Bay Regional Prison, expansion of bin and pallet production and the introduction of an environmentally friendly organic feed waste facility at the Christchurch Prison piggery.

## Information Technology

The key focus for Information Technology has been on bedding-in the implementation of the Information and Technology Strategy. The Department moved into the new year without incident, due mainly to good planning, a comprehensive testing regime and the introduction of sound business processes. External monitoring of the Department's processes took place, with reports being made to both the State Services Commission and Audit New Zealand.

### INTEGRATED OFFENDER MANAGEMENT SYSTEM (IOMS)

The IOMS release in March 2000 was preceded by an earlier release in November 1999 for the introduction of home detention functionality. In addition, the Integrated Offender Management (IOM) assessment specification was finalised and a new server-based Oracle deal was agreed, during the 1999/2000 year.

The IOMS help desk was brought in-house, during the year, enabling calls to be answered by Department staff with first-hand knowledge of both the IOMS application and the detailed business processes.

A key focus throughout the year has been the work on analysing and rectifying performance issues with the infrastructure which supports office products and IOMS. The complexity of the network and set-up in each area has made this a time-consuming exercise, and work will be ongoing throughout the 2000 calendar year.

### INFRASTRUCTURE DEVELOPMENTS AND ENHANCEMENTS

Other major achievements were the selection and implementation of a new property management and maintenance system, and the introduction of an Intranet environment for the Department.

While Internet email has been delivered to every desktop, the Department's firewall management has ensured that security has been maintained, and viruses such as the 'love-bug' have been repelled without any impact on the Department.

Upgrades to both the IOMS and SAP servers were successfully carried out during the year, as were two major equipment roll-outs. A performance-based data network contract with Telecom was introduced, achieving significant savings in both toll and mobile charges. Possibly the most challenging communications solution was the use of Inmarsat satellite communications for Public Prisons Service staff in East Timor.

### A CHANGE OF INTEGRATED OFFENDER MANAGEMENT

**SYSTEM (IOMS) DEVELOPER** The Department decided to bring the ongoing development and support of IOMS onshore, after the original developer changed its strategic focus to the United States domestic market.

The transition to the new developer, gen-i (NZ) Ltd, culminated in a joint release of IOMS in March 2000. Gen-i has now assumed full responsibility for IOMS support and future development, with no impact on the users as a result of the changeover.

**COLLABORATION WITH OTHER AGENCIES** Work with the other justice sector agencies has continued throughout the year. A number of collaborative initiatives have occurred, mainly relating to the Wanganui Law Enforcement System (LES). Interfacing work with the Department for Courts has been taking place, which involved the sharing of plans, approaches and detailed technical solutions on both data migration and Tuxedo interfacing in preparation for Courts' new fines system.



*Wilson Bailey, Chief Executive Department for Courts and Mark Byers, Chief Executive Department of Corrections signing off the Service Level Agreement between the two agencies.*

## Human Resource Management

The focus of human resource management in 1999/2000 has been on the improvement of staff capability. The Department's Human Resource Strategy was reviewed with a new strategy developed to cover the period 2000 to 2003.

A key initiative has been the implementation of career development and succession-planning frameworks, continuing the Department's commitment to the training and development of staff at all levels. The final implementation of performance management systems for staff also took place during the year.

**CAREER AND SUCCESSION PLANNING** Career planning initiatives, offering workshops and tools for staff to review their career goals, were developed and implemented through the year. Directories on training programmes and job descriptions for the Department were also launched.

The Future Leaders Programme was piloted, seeking initially to improve the representation of Māori staff in management. Thirteen staff are participating in a two-year development programme which provides a broad range of training, mentoring and on-the-job activities to support the development of management skills.

The Public Prisons Service has implemented a Corrections officer career structure, providing a career path linked to qualifications in Offender Management accredited through the New Zealand Qualifications Authority.

**TRAINING AND DEVELOPMENT** Integrated Offender Management (IOM) training has been significant, with all Probation Officers receiving Level 1 Assessment and Screening training. There have also been 48 Community Probation Service and 17 Public Prisons Service staff receiving training as facilitators for the Straight Thinking programme.<sup>1</sup>

<sup>1</sup> Training courses may run across financial years, meaning that the number of staff members who commence a course may not be equal to the number of staff members completing a course in any given financial year.

A programme on managing aggressive clients was delivered to work party supervisors in the Northern region of the Community Probation Service.

The Department has continued to roll out Leadership in Action as the introductory course for all new managers. In addition to Leadership in Action, Psychological Service managers also received training in financial management and managing misconduct.

**PERFORMANCE MANAGEMENT** A review of the Department's Manager and Head Office Staff Performance Management System was completed during the 1999/2000 year. The review incorporated changes arising from the implementation of IOM. Competency-based performance management systems were introduced for Corrections officers and work party supervisors, some of which are linked to the achievement of recognised qualifications.

**EQUAL EMPLOYMENT OPPORTUNITIES** The Department continues to develop and implement initiatives to improve the cultural responsiveness of staff, particularly those who work with offenders or liaise with the Māori community. A Māori Language Plan for 2000/01 has been developed, to provide a framework for the development of te reo in the Department.

In addition to the development of a strategic plan to address Māori issues, the Community Probation Service also delivered a Taste of Leadership programme to both Māori and Pacific peoples staff. The programme provides an introduction to management in the Department.

Both the Community Probation Service and the Public Prisons Service have incorporated cultural responsiveness into their performance agreements and link it to the remuneration system. Unit standards covering cultural competence are also included in the Public Prisons Service Corrections officer qualification framework.

## Public Service Ethics and Integrity

A range of initiatives was implemented during the year, to maintain the high standards of integrity and conduct expected of departmental staff.

A new induction pack for head office staff was launched, which incorporates information on ethics in the public service<sup>2</sup> and sets out the standards the Department expects of its employees. The Public Prisons Service also commenced work on a Professional Ethics Project to look at ways to address the professionalism of staff in the workplace.

The Department continues to actively promote and reinforce the Code of Conduct. All new staff are taken through the standards required of them and the potential impact of any breaches before signing. The Department continues to respond promptly and effectively where breaches have occurred.

## Statutory and Advisory Board Reports

**ASSURANCE BOARD** The Assurance Board was established to assist the Chief Executive to ensure that the Department's risk management framework is operating effectively and in particular that:

- internal control and quality assurance environments are robust and enhanced where necessary
- operational, legal, financial, information technology, human resource management and security systems risks are identified and managed
- management of the offender environment is maintained with issues appropriately addressed where they arise.

The Board was established following completion earlier in the year of a review of the Department's risk management and assurance needs. The review resulted in the functions of the Audit Committee and the Custodial Assurance Board being combined into one overarching Assurance Board.

<sup>2</sup> This information has been sourced from the State Services Commission report "The Public Service, Principles, Conventions and Practice".

The Board is chaired by the Chief Executive and includes four external members: Gerry Conroy (Partner, PricewaterhouseCoopers); June McCabe (WestpacTrust); Brian Roche (Partner, PricewaterhouseCoopers); and Brian Tyler (Consultant). Board meetings are bi-monthly.

Since its inception on 1 September 1999, the Board has continued to maintain professional oversight over the operation of the Department's internal audit and inspectorate functions and has reviewed progress in key risk areas through internal audit and inspectorate reports and departmental management reports.

The Board's primary interest has been directed at reports providing assurance as to the secure custody and the safe, fair and humane treatment of offenders along with the maintenance of effective offender management and complaint resolution systems. The Board acknowledges there has been a positive operational response to matters requiring attention from these reports.

The Board has also reviewed the Department's progress on business continuity planning and monitored its response to the Y2K issue. It notes the successful negotiation of this latter hurdle. Close attention is also paid to the Department's financial control and information technology systems and the Board will continue to monitor the maintenance of these environments.

Risk management is an integral component of departmental operations. The identification and analysis of risk along with the development of mitigating strategies is an ongoing requirement, with regular reporting to the Chief Executive and Senior Management Team. Formal reporting, on a six-monthly basis, is also provided to the Department's Assurance Board.

### PRIVATE PROVISION OF ESCORT AND COURTROOM

**CUSTODIAL SERVICES** Prisoner escort and courtroom custodial services in Northland and Auckland continued to be delivered by Chubb New Zealand Limited under a contract with the Department which commenced on 1 October 1998. The contract area covers two prisons and 11 court locations from Pukekohe to Kaitaia. During the year, Chubb carried out 22,160 prisoner escort and 4,998 court custody tasks.

The assessment and review of Chubb's compliance with the conditions of the contract is carried out by the Department's security monitor who is appointed under the provisions of the Penal Institutions Act 1954, sections 36ZD(2) and 36ZF. The monitor provides the Chief Executive with a summary of any actions taken during the year relating to matters raised as part of the monitoring process.

**PSYCHOLOGICAL SERVICE ADVISORY BOARD** The role of the Psychological Service Advisory Board is to oversee the strategic direction and operational performance of the Service. The Board reports to the Chief Executive and provides him with advice on management and operational performance. The Advisory Board is chaired by Sandi Beatie and the other external member is Steve Ruru.

Two of the most important initiatives to come from the Psychological Service are the implementation of a Bi-cultural Therapy Model (BTM) and the spearheading of the development of a Framework for Reducing Māori Offending (FReMO). This framework is designed to ensure the incorporation of Māori perspectives and tikanga Māori in the development of departmental policies and procedures.

The BTM offers Māori offenders the choice of working with departmental psychologists trained to work in a bi-cultural way, and with external Māori providers. The model has been implemented in several locations in consultation with iwi.

The Psychological Service is now entering a new phase with its involvement and integration in the departmental-wide Integrated Offender Management (IOM) initiative. The Service has the role of IOM champion. It will also use its clinical practice and professional expertise to train and mentor departmental staff in concepts and tools associated with IOM.



**INMATE EMPLOYMENT ADVISORY COMMITTEE** The Inmate Employment Advisory Committee (IEAC) was formed in August 1999 when the former Corrland Board was joined with the Inmate Employment Steering Committee. This was the first stage of integrating the inmate employment activity associated with the Department's farms and forestry assets and the inmate employment industries run by the Public Prisons Service.

The IEAC identified the importance of clarifying the meaning of "a commercial approach" to inmate employment training. There is a tension between operating in a purely commercial environment and meeting inmates' rehabilitative and reintegrative needs. The Department's aim is to ensure that inmates gain training and employment experience to a level which enables them to perform efficiently and effectively in a commercial environment, once they have completed their sentences.

To ensure that Inmate Employment was structured to achieve the balance required, a full review of all inmate employment activity was completed at the end of March 2000.

Recommendations arising from the review are being implemented, with the aim of having inmate employment activities integrated and operating by 1 December 2000.

The Department's Integrated Offender Management (IOM) approach presents significant opportunities for Inmate Employment to contribute to the Department's vision of reducing re-offending. Inmate Employment has been working with the IOM developers to facilitate the effective assessment of employment training needs and the provision of appropriate employment opportunities.

On the Corrland side it was a year of steady incremental improvements. Targets were met and progress on training and development of instructors was also made. On the industries side all inmate employment hours targets were met and a number of projects completed, for example a major assessment of the horticultural activities, to align them better with the inmate employment training policy objective.

**CHIEF EXECUTIVE'S MĀORI ADVISORY GROUP** The Chief Executive's Māori Advisory Group was established to provide direct advice and feedback to the Chief Executive on Māori issues. The Group ensures that the Chief Executive is given advice on the strategic, policy and operational issues that affect Māori. In addition, the Group acts as a conduit for information to and from the Māori community on matters affecting them and the Department.

The Māori Advisory Group is chaired by the Chief Executive and includes external members: Harry Eruera, Hori Martin, Haami Piripi, Amster Reedy, June Robinson and Althea Vercoe.

The Chief Executive's Māori Advisory Group has held two meetings since its inception in March 2000.

The Māori Advisory Group will be used to support, develop and enhance the service now provided by the Department. The Group's aim is to enable the Department to become more responsive to Māori needs through a reduction in the high rate of re-offending by Māori.

**PAROLE BOARD** The Parole Board is an independent decision-making body established by Section 130 of the Criminal Justice Act 1985 to perform various functions, mostly in relation to the release of long-sentence prisoners. The Department of Corrections provides administrative support.

Details of the operation of the Parole Board are contained in its Annual Report for the year ended December 1999.



# PART D

## Additional Information

**LEGAL RESPONSIBILITIES**

**PUBLIC REPORTS**

**TERMS AND DEFINITIONS**

**CORRECTIONS FACILITIES LOCATIONS**

## Legal Responsibilities

The Department of Corrections has sole responsibility for the administration of the Penal Institutions Act 1954 and the Penal Institutions Regulations 1999.

Administration of the Criminal Justice Act 1985 and Regulations is carried out in conjunction with the Ministry of Justice and the Department for Courts.

## Public Reports

The following reports were produced in 1999/2000 and are available from the Department's Information Centre:

- *Evaluation of Community-based Treatment Programmes for Adult Male Sex Offenders* – a study of the effectiveness of four treatment programmes primarily using best practice standards as the base measure
- *The National Study of Psychiatric Morbidity in New Zealand Prisons* – a study of all female inmates and a large sample of male inmates to determine the prevalence of mental illness in those populations
- *He Whaakinga – Treaty of Waitangi Draft Policy Statement* – also available are a Draft Policy Statement Submission Booklet and a summary of the Draft Policy Statement Hui
- *Risk of Reconviction* – statistical models which predict four types of re-offending
- *Montgomery House Evaluation* – evaluation for the Montgomery House violence prevention programme
- *FReMO: Framework for Reducing Māori Offending* – how to achieve quality in policy and services to reduce Māori offending and enhance Māori aspirations
- *Departmental Forecast Report 1 July 2000 – 30 June 2001* – a statement of corporate intent for the coming year as required under section 34a of the Public Finance Act 1989
- *Fact Sheets* – providing contextual information around issues such as the Victims Notification Register, working with Māori to reduce re-offending, deaths in custody, and escapes; a full listing of the Fact Sheets is also available on the Department's website, [www.corrections.govt.nz](http://www.corrections.govt.nz)

## Terms and Definitions

<b>BI-CULTURAL THERAPY MODEL</b>	A method of therapy involving Māori tohunga (a spiritual expert or healer) working alongside prison psychologists to treat offenders.
<b>BREAKOUT ESCAPE<sup>1</sup></b>	Escape from a secured prison area that breaches a physical barrier.
<b>COMMUNITY-BASED SENTENCE</b>	A sentence of community service, a sentence of periodic detention, a sentence of supervision, or sentence to a community programme.
<b>COMMUNITY PROGRAMME</b>	Where the reasons for the offence are clear, a contract is set up between the offender, Probation Officer and a principal sponsor.
<b>COMMUNITY SERVICE</b>	A sentence where an offender must work for the community for a stipulated number of unpaid hours.
<b>CORRECTIVE TRAINING</b>	A sentencing option for offenders between 16 and 20 years of age, who have been convicted of an offence punishable by imprisonment for a term of three months or more.

<sup>1</sup> This definition has been further refined to include: *An escape where an inmate has breached security measures provided the inmate has physically left the area contained by the outermost perimeter fence, or if there is no such fence, prison buildings; police cell; vehicle or court complex or other place of custodial control; or from an officer escort anywhere.*

<b>DISTRICT PRISONS BOARDS</b>	The District Prisons Boards, established under Part VI of the Criminal Justice Act 1985, determine the release of offenders on parole when the offender is serving a prison term of more than 12 months but less than seven years. The Boards set conditions of release for offenders who are not eligible for parole upon their final release date.
<b>ECONOMIC FARM SURPLUS (EFS) PER HECTARE</b>	The total cash income generated by a farm, with cash adjustments for the difference between opening and closing stock numbers and classes, and less the purchase of replacement stock. From this figure, farm operating expenses, less wages of management, are deducted. The net figure is then divided by the effective area of the farm. The economic farm surplus per hectare is the most common and standard measure of a farm's performance and its performance in comparison with those of a similar group of farms in terms of their physical similarity.
<b>EQUIP</b>	A cognitive programme specially designed for young offenders. It is currently being run in three prisons and will be expanded further.
<b>FREMO</b>	The Framework for Reducing Māori Offending. This framework has been produced to guide the development of effective policy, interventions and research targeted at the reduction of Māori offending.

<b>FULL-TIME CUSTODIAL SENTENCE</b>	A sentence of corrective training, a sentence of imprisonment, or a sentence of preventive detention.
<b>FUTURE LEADERS</b>	A programme which identifies potential future managers amongst the Department's staff and offers them additional training and support to enable their potential to be realised. The first year of the Programme focuses on Māori staff.
<b>HABILITATION CENTRE</b>	An approved residential centre which operates programmes for offenders which are designed to identify and address the cause or causes of, or factors contributing to, their offending.
<b>HE WHAAKINGA</b>	The Department's draft Treaty of Waitangi Policy Statement. Once it is approved it is to be integrated into all of the Department's work.
<b>IOM</b>	Integrated Offender Management (IOM) is a co-ordinated, consistent approach to managing offenders and ensuring they comply with their sentences. It targets programmes and interventions to factors affecting offending, for offenders most at risk of re-offending.
<b>IOMS</b>	Integrated Offender Management System (IOMS) is the Department's new computer system, which integrates the management of offenders. Information on individual offenders can be centrally accessed with no duplication or re-entering of data.

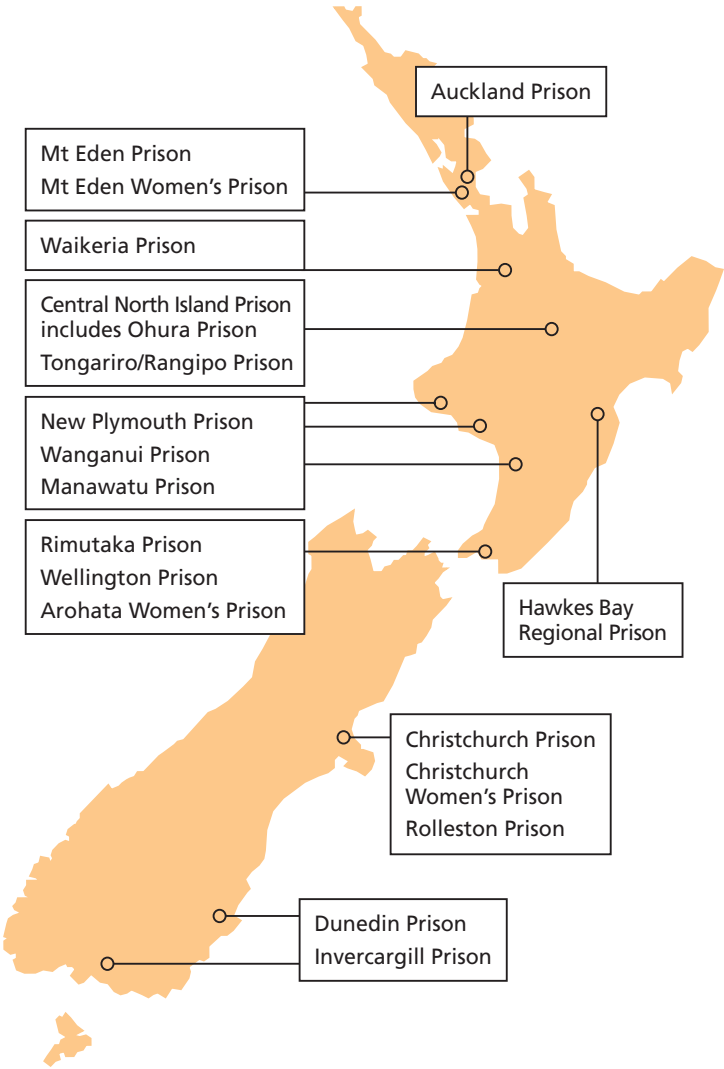


<b>IOM CHAMPION</b>	<p>The purpose of the IOM Champion is to ensure:</p> <ul style="list-style-type: none"> <li>• the widespread understanding and acceptance of the IOM Model;</li> <li>• the ongoing integrity of the IOM model;</li> <li>• the Services are supported in achieving the successful implementation of IOM;</li> <li>• there continues to be a focal point for IOM following the disbanding of the IOM Project Team;</li> <li>• that opportunities for maximising an integrated approach across the Department are utilised; and</li> <li>• the ongoing development and improvement of the IOM model.</li> </ul>
<b>MACRN</b>	<p>Māori Culture-Related Needs. This programme recognises the specific culture-related needs that may lead to Māori being over-represented in the correctional system. The four central needs are: cultural identity, cultural tension, whanau (family) and Whakawhanaunga (formation of whanau-like relationships).</p>
<b>NCES</b>	<p>The National Certificate in Employment Skills. This is a programme offered to inmates to assist them to gain the basic life skills needed upon release.</p>
<b>NON-RETURN FROM TEMPORARY RELEASE</b>	<p>Refers to inmates released temporarily from prison who do not return at the appropriate time and are therefore counted as an escape from custody.</p>

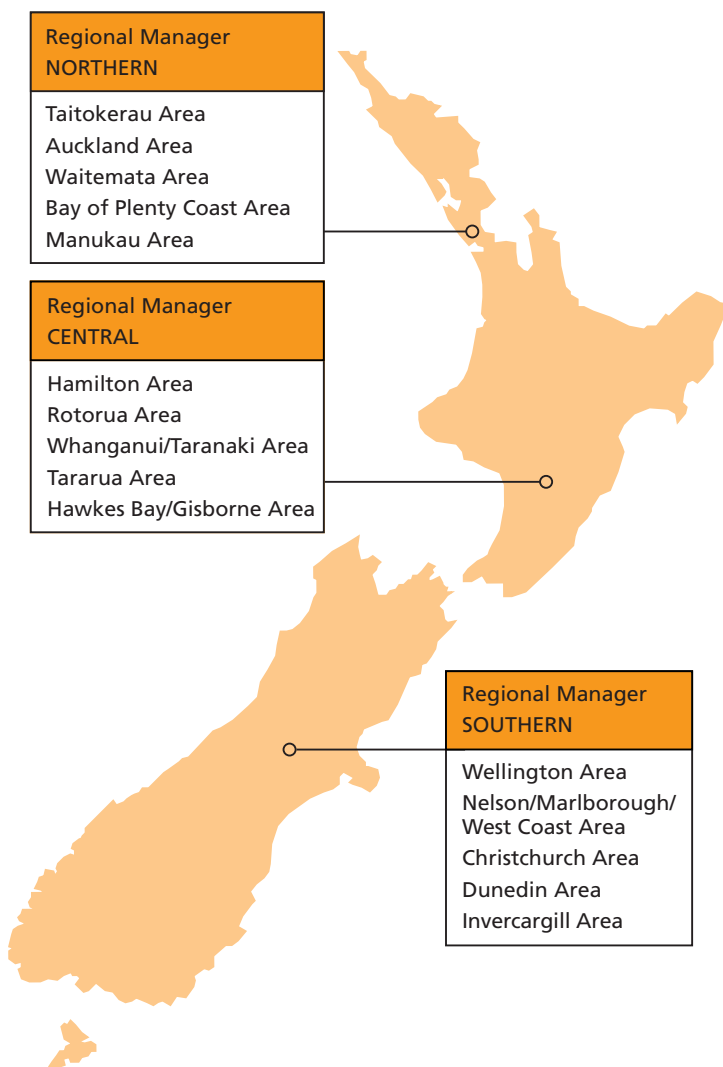
<b>NZPARS</b>	New Zealand Prisoners Aid and Rehabilitation Society (Inc).
<b>OTHER ESCAPES</b>	Other escapes are defined as “walk-aways” and “escapes while on escort” (other than court-related).
<b>PAROLE</b>	The point of the sentence at which the Parole Board or a District Prisons Board may but is not required to release an offender pursuant to section 89 of the Criminal Justice Act 1985. An offender is released on parole from a term of imprisonment with standard conditions, including reporting to a Probation Officer, and special conditions which focus on rehabilitation.
<b>PERIODIC DETENTION</b>	A community-based sentence where an offender makes reparation to the community. Offenders work in groups in the community and/or undertake rehabilitative programmes.
<b>RECIDIVISM INDEX</b>	The proportion of offenders who are not reimprisoned within 12 months of completing a sentence or order.
<b>REHABILITATION QUOTIENT</b>	The proportion of offenders given an intervention who are not reimprisoned within 12 months of completing a sentence.
<b>STATUS COURTS</b>	Full and frank discussions that provide the opportunity for early and full disclosure of the prosecution’s case, so that the defendant may make an informed decision when making a plea and to help reduce the backlog of summary defended hearings and to speed up the court process.

<b>STRAIGHT THINKING</b>	A cognitive skills programme that aims to provide offenders with the opportunity to address one of the main factors contributing to their offending, namely the lack of critical reasoning skills required for effective social integration.
<b>SUPERVISION</b>	An alternative to imprisonment that involves reporting regularly to a Probation Officer, and may include attendance at an appropriate programme that deals with the cause of the offending.
<b>TIKANGA</b>	Māori culture and values. Tikanga Māori is used in programmes by the Department in an attempt to change behaviour and reduce re-offending by embracing and acknowledging the Māori world view.

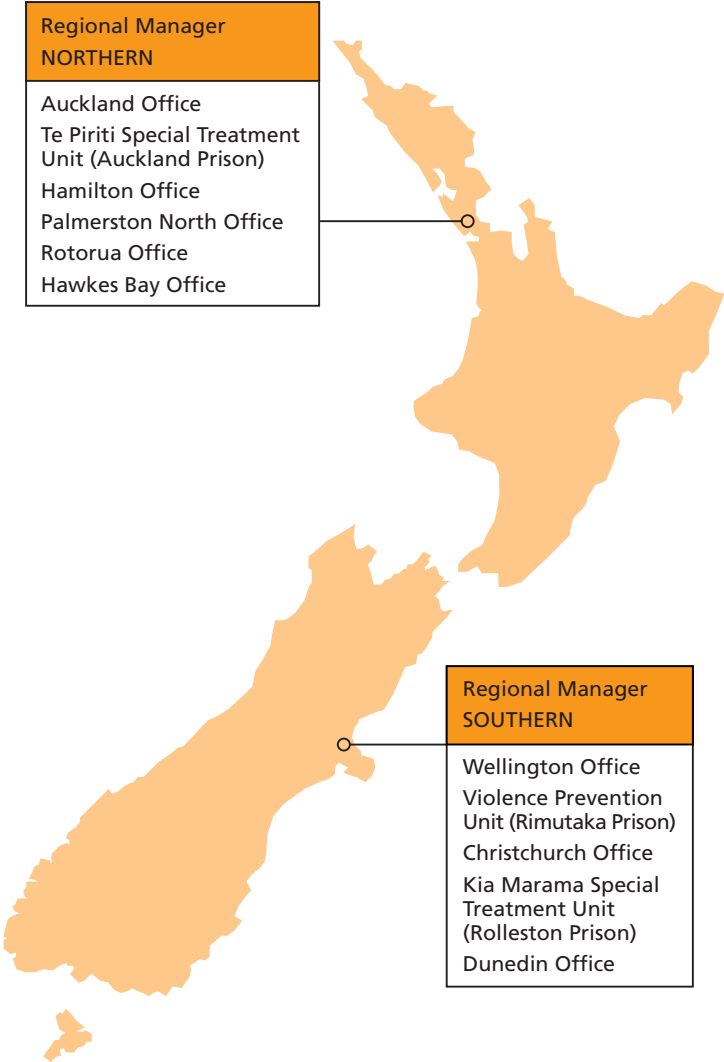
# Public Prisons Service



# Community Probation Service



# Psychological Service



**VALUES** The Department of Corrections values:

# F I R S T

**FAIRNESS** acting with impartiality and integrity at all times

**INNOVATION AND BUSINESS PERFORMANCE EXCELLENCE** demonstrating an innovative and business-like approach

**RESPONSIVENESS** enabling and ensuring individuals take personal responsibility for their actions

**SAFETY AND BEING HUMANE** having safe and humane environments for offenders and staff

**TEAMWORK** being responsive to others and enhancing relationships, both internally and externally, to maximise effectiveness in reducing re-offending

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