

Hon Kelvin Davis
Minister of Corrections

The Next Step Towards a New Future for Ara Poutama Aotearoa – Cabinet Business Committee

Date of issue: 28 January 2020

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Documents	Comment
The Next Step Towards a New Future for Ara Poutama Aotearoa <i>Cabinet paper</i> Minister of Corrections	Some information has been withheld in accordance with the following sections of the OIA: 9(2)(f)(iv) – to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.
The Next Step Towards a New Future for Ara Poutama Aotearoa <i>Cabinet minute</i> Cabinet Business Committee	Some information has been withheld in accordance with the following sections of the OIA: 9(2)(f)(iv) – to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

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Budget Sensitive

Office of the Minister of Corrections

Chair, Cabinet Business Committee

THE NEXT STEP TOWARDS A NEW FUTURE FOR ARA POUTAMA AOTEAROA

Proposal

1. I took on the Corrections portfolio with the intent of changing the system, and in particular, to do better by Māori. This paper seeks Cabinet's endorsement of the Hōkai Nuku¹ Change Programme, which outlines how we can begin to deliver this change.

Executive Summary

2. Approximately 50 percent of people under the care and management of Ara Poutama Aotearoa (the Department of Corrections) identify as Māori, compared with 15 percent of the general population. As the Minister of Corrections, my ambition is to eliminate this overrepresentation, and to uplift the oranga of Māori and their whānau. While neither I, nor Ara Poutama Aotearoa, can do this alone, we all must play our part.
3. There is a clear mandate for change. The rising prison population is not a cost New Zealand can continue to bear; we need to take a different approach. I would like Cabinet to note that in December 2018, Cabinet agreed to adopt 'major improvement' in services as the strategic path for the prison network [CAB-18-MIN-0641] (**Rec 1**).
4. Cabinet also noted that significant reform is needed across the criminal justice system as a whole [CAB-18-MIN-0136], and established a criminal justice sector reform programme, 'Hāpaitia te Oranga Tangata – Safe and Effective Justice' (Hāpaitia), and independent advisory group 'Te Uepū Hāpai i te Ora' (Te Uepū). Te Uepū released an interim report '*He Waka Roimata*' in June 2019 that identifies three dominant themes: the overrepresentation of Māori must be urgently addressed, a greater focus on victims is needed, and the system must increase rehabilitation activities.

1 This name comes from the karakia 'Kete o Te Wānanga', which describes the ascent by Tāne into the highest heavens and is drawn from the section: '*Ko te hōkai nuku, ko te hōkai rangi*' (traversing the earth, ascending into the heavens). This was chosen as the name for the business case and change programme as it illustrates the movement that must occur on the ground in order to realise the aspirational vision for the future, which is outlined in Ara Poutama Aotearoa's Strategy 'Hōkai Rangi'.

5. In line with Cabinet's requirement for major improvement and the Hāpaitia programme, Ara Poutama Aotearoa recently launched their organisational strategy Hōkai Rangi. Hōkai Rangi seeks to put – *Kotahi anō te kaupapa; ko te oranga o te iwi* (there is only one purpose to our work; the wellness and wellbeing of people) at the heart of everything they do. To make this shift, Ara Poutama Aotearoa will need to work differently, focusing on shared decision making, treating people with respect, providing access to culture as a fundamental right, and creating humane environments, while ensuring that safety and security are maintained.
6. I am asking Cabinet to endorse the Hōkai Nuku Change Programme, which describes a five year programme of change to deliver 'major improvement' to the corrections system as directed by Cabinet (**Rec 2**). I would also like Cabinet to note that the Hōkai Nuku Change Programme is an essential step towards achieving the government's objectives of a 30 percent reduction in the prison population and eliminating the overrepresentation of Māori in the justice system (**Rec 3**).
7. Over five years, major improvement to the corrections system will be delivered through five areas: Workforce and Culture (enabling a culturally competent and rehabilitative focused workforce), Partnering (enhancing partnership with hapū, iwi, Māori, and other agencies), Environments (creating humane and more normalised environments), Set the Pathway (improving transitions) and Deliver Services (ensuring timely and tailored access to cultural knowledge, health care, rehabilitation and reintegration services).
8. 9(2)(f)(iv) [Redacted]
9. 9(2)(f)(iv) [Redacted] I recommend that Cabinet directs Ara Poutama Aotearoa to report on its progress towards major improvement by the end of 2020, and present Cabinet with options for the last three years of this change programme by the end of 2021 (**Rec 5**).
10. 9(2)(f)(iv) [Redacted] Other indirect benefits for the people in Ara Poutama Aotearoa's care include increased education and employment, improved health outcomes, improved access to housing, positive intergenerational impacts and the reduced cost of crime.
11. The changes proposed in the Hōkai Nuku Change Programme will set the platform for transformative change. However, it is only through the criminal justice sector reforms to be proposed by Hāpaitia and collaboration across government that we will

achieve the 30 percent reduction in the prison population and address the overrepresentation of Māori in the justice system.

Background

12. Between 2015 and 2018, there was an unprecedented and unprojected increase in the prison population of nearly 2,000 people, which saw the total prison population reach a record 10,800 people. This introduced a substantial amount of pressure into the corrections system. In response to this, I directed Ara Poutama Aotearoa to undertake a strategic assessment of the prison network (the Prison Network Development Strategy).
13. I would like Cabinet to note that in December 2018, Cabinet agreed to adopt ‘major improvement’ in services as the strategic path for the prison network [CAB-18-MIN-0641] (**Rec 1**). Cabinet also noted this would enable a move towards transformational change if future conditions allow. It was identified that an organisational development business case would be required to deliver major improvement, and I committed to have this developed by the end of 2019.
14. Cabinet also recognised that changes to the corrections system alone cannot materially reduce the prison population. They noted that significant reform of the criminal justice system was needed to achieve the government’s targets and improve public safety [CAB-18-MIN-0136]. Following this, the criminal justice sector reform programme, Hāpaitia, was established.
15. One of the clear themes to emerge from the Hāpaitia programme is the urgent need to address Māori overrepresentation in the justice system. The statistics are well documented but they are not just numbers – they represent mothers, fathers, grandmothers, grandfathers, children and grandchildren.
16. Previous efforts have not succeeded for Māori, which was highlighted by the Waitangi Tribunal in their 2017 report, ‘*Tū Mai te Rangī!*’. The Tribunal found that the Crown has a Treaty responsibility to apply “a renewed strategic focus that gives appropriate priority to reducing the disproportionate rate of Māori reoffending”.
17. It is time for the needs of Māori to be placed at the centre of the corrections system. Accordingly, I directed Ara Poutama Aotearoa to develop Hōkai Rangī. It was originally intended to be the new Māori Strategy, but it has become **the** strategy for the department – because what works for Māori will work for everybody.

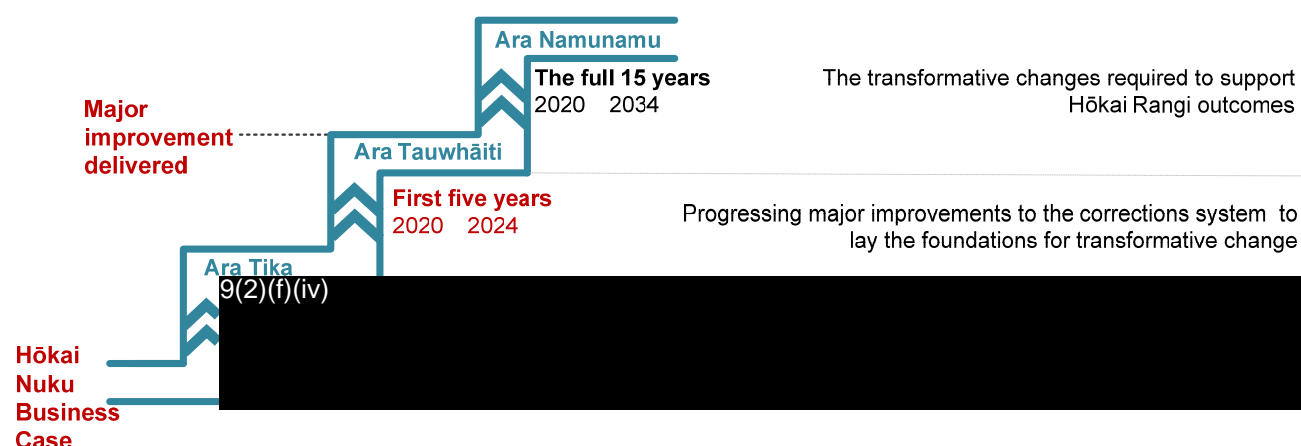
Hōkai Rangī – Putting Māori at the centre

18. At the heart of the strategy is *Kotahi anō te kaupapa; ko te oranga o te iwi* (there is only one purpose to our work; the wellness and wellbeing of people). This is reflected in the six outcomes of Hōkai Rangī, which were developed with Māori:
 - 18.1. Partnership and leadership – leading through best-practice Māori-Crown relations, with authentic shared decision-making and co-design with, and for, Māori.

- 18.2. Humanising and healing – treating people in our care with respect, upholding their mana and dignity. No one will be further harmed or traumatised by their experiences in the corrections system.
 - 18.3. Whānau – whānau will be supported to walk alongside Māori in the care and management of Ara Poutama Aotearoa on their rehabilitation and reintegration journey.
 - 18.4. Incorporating a te ao Māori worldview – access to culture is a fundamental right, not a privilege, regardless of a person’s circumstances. Mātauranga Māori will be prioritised, embedded, and protected to innovate and improve Ara Poutama Aotearoa.
 - 18.5. Whakapapa – recognising that whakapapa can be the beginning of healing and wellbeing, and creating a safe environment for Māori to share and learn about their identity.
 - 18.6. Foundations for participation – people in the care and management of Ara Poutama Aotearoa, and their whānau, will be supported to have their basic needs met and the necessary tools for full participation in society.
19. Hōkai Rangī is unlike any strategy produced for the corrections system before. It was developed with Māori, and it describes the major improvement that will be made to the system to realise a different future; it is not afraid to be ambitious. It is also specific enough to ensure Ara Poutama Aotearoa can be held accountable for its actions.
20. Hōkai Rangī has been actively sponsored by the Ara Poutama Aotearoa leadership team and has been very well received among Māori and community groups. However, Hōkai Rangī is just the beginning; the next step is activating the Ara Poutama Aotearoa workforce and determining the steps needed to achieve the six outcomes.

The Hōkai Nuku Business Case and Change Programme

Figure 1: Te Ara Poutama - the implementation pathway



21. The three steps in the above diagram illustrate the journey that Ara Poutama Aotearoa will take. They will begin on the Ara Tika (correcting pathway) over the first

two years, setting up what is needed for the long term. Over five years they will ascend the Ara Tauwhāiti (tenuous pathway) to major improvement. The 15 year journey will ultimately take them on the Ara Namunamu (focused pathway) towards the Hōkai Rangi outcomes. Ara Poutama Aotearoa cannot traverse these paths alone, but must partner with hapū, iwi, Māori, and others, throughout.

The process

22. The Hōkai Nuku Business Case was developed using a people centred, holistic and evidence driven approach. The gathering of lived experience and expertise through interviews and workshops was a key component. This was then supported by local and international research and data.
23. Throughout the process, the goal of reducing Māori overrepresentation and uplifting Māori wellbeing were central considerations, with the voice of Māori elevated, in line with Ara Poutama Aotearoa's commitment to Te Tiriti o Waitangi.
24. The Business Case has had a Gateway Review, including Police representation, and senior officials from Treasury, the State Services Commission and the Ministry of Justice had oversight throughout the process. There has also been substantial engagement with the Hāpaitia programme, which has ensured sector wide alignment.

Current state

25. The Hōkai Nuku Business Case outlines the challenges that are currently being faced by Ara Poutama Aotearoa. It provides a baseline for determining what changes are required to achieve major improvement to the corrections system.
26. In recent years, Ara Poutama Aotearoa has had to respond to unprecedented and unprojected volume increases, cost pressures and unexpected events. This required a heightened focus on managing sentences in a safe and secure manner, which at times was at the expense of rehabilitation and transition efforts. Safety and security increased, but the ability to accommodate people in single cells decreased, as did out of cell hours.
27. At present, there are around 10,000 people in prisons and 30,000 people on community-based sentences and orders. Compared with the general population, people in the care and management of Ara Poutama Aotearoa are much more likely to: have had contact with a mental health service; have low educational achievement; have experienced family violence; and return to relative economic disadvantage on release from prison.
28. While Ara Poutama Aotearoa has made a number of improvements to how they work with Māori in their care, Māori overrepresentation in the corrections system persists. Over 50 percent of the prison population identify as Māori, and the proportion is even higher for women and young people under 20. Disproportionately poor outcomes are also reflected in reoffending rates, with statistics showing that 68 percent of Māori released from prison were reconvicted within 24 months (compared with 52 percent of non-Māori).

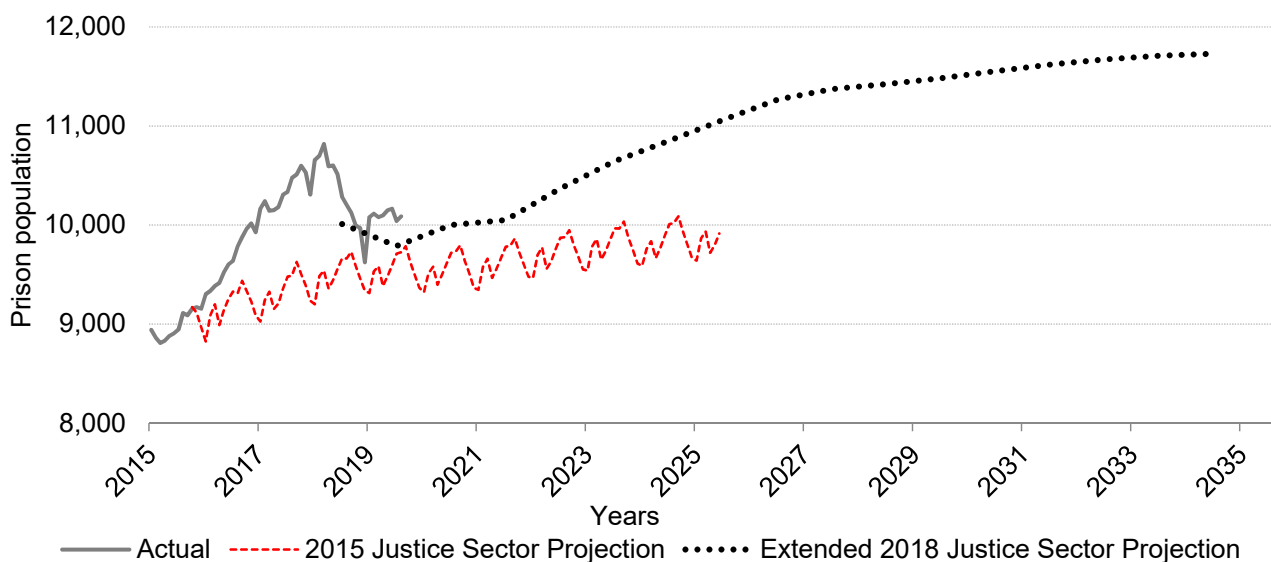
29. Te Uepū, the Chief Victims Advisor and Te Ohu Whakatika have reported that people who have been harmed also feel that the justice system is failing them. Many people in the care and management of Ara Poutama Aotearoa have been victimised themselves. For example almost 70 percent of women in prison have been victims of family violence.

The cost of maintaining the current operating model

30. If we continue the current operating model, outcomes will not improve. In fact, based on current Justice Sector projections², the prison population could increase to almost 12,000 by 2035. There are significant costs associated with this, both social and economic.

31. [Redacted content]

Figure 2: 2015 to 2035 prison population (actual and projections)



Achieving Major Improvement to the Corrections System

32. The Hōkai Nuku Business Case provides a map for the first stages of the Ara Poutama journey. Informed by the voice of Māori, and others with lived experience, and supported by evidence, five areas of change in Hōkai Nuku were developed to support the achievement of the six Hōkai Rangi outcomes. The five areas of change are:

- 32.1. Workforce and Culture – enabling the development of a workforce that is culturally competent and able to deliver rehabilitative-focused care.
- 32.2. Partnering – enhancing partnership with hapū, iwi and Māori at all levels, and ensuring engagement and alignment with other agencies.

² Justice sector volume projections are produced by the Ministry of Justice, on behalf of the justice sector

- 32.3. Environments – ensuring that people experience a humane and normalised environment and are connected with social supports.
- 32.4. Set the Pathway – improving transitions in and out of the corrections system.
- 32.5. Deliver Services – ensuring that people receive timely and tailored access to cultural knowledge, health care, education, and programmes.

Making it happen

- 33. While some changes can, and will, be made within existing baselines, without additional financial support, this will be a significantly slower journey. In the meantime, whanau, hapū, iwi and Māori will continue to suffer the intergenerational impacts of overrepresentation in the justice system, both as people serving sentences, and victims of crime.
- 34. I am asking Cabinet to endorse the Hōkai Nuku Change Programme, which describes a five year programme of change to deliver ‘major improvement’ to the corrections system, as directed by Cabinet (**Rec 2**). ^{9(2)(f)(iv)}

[Redacted text block]

^{9(2)(f)(iv)}

[Large redacted text block]

- 35. Over five years, Ara Poutama Aotearoa will achieve major improvement to the corrections system, setting the platform for long-term transformation articulated in Hōkai Rangi. The specific changes required from years three to five will be refined as a detailed future design is developed with, and for, Māori and other partners.

³ All activities will be aligned with Te Tiriti o Waitangi guidance agreed by Cabinet (CO(19)5) and Te Arawhiti on engaging with Māori.

36. The attributes of 'major improvement', as described in the Prison Network Development Strategy, and which are all outcomes of the Hōkai Rangi strategy, include:
- 36.1. collaborative partnerships with Māori to target the disproportionately high representation of Māori in the prison system
 - 36.2. improving connections to family, whānau, and communities through more normalised environments (including more unlock hours); and
 - 36.3. significantly improving the rehabilitation and transition support provided to vulnerable people and their whānau.
37. I would like Cabinet to note that the Hōkai Nuku Change Programme is an essential step towards achieving the government's objectives of a 30 percent reduction in the prison population and eliminating the overrepresentation of Māori in the justice system (**Rec 3**). 9(2)(f)(iv)
38. Over the full 15 years, Ara Poutama Aotearoa will, in partnership with Māori, work towards transformation. This will be driven by the detailed future design, and lessons learned from the first five years.

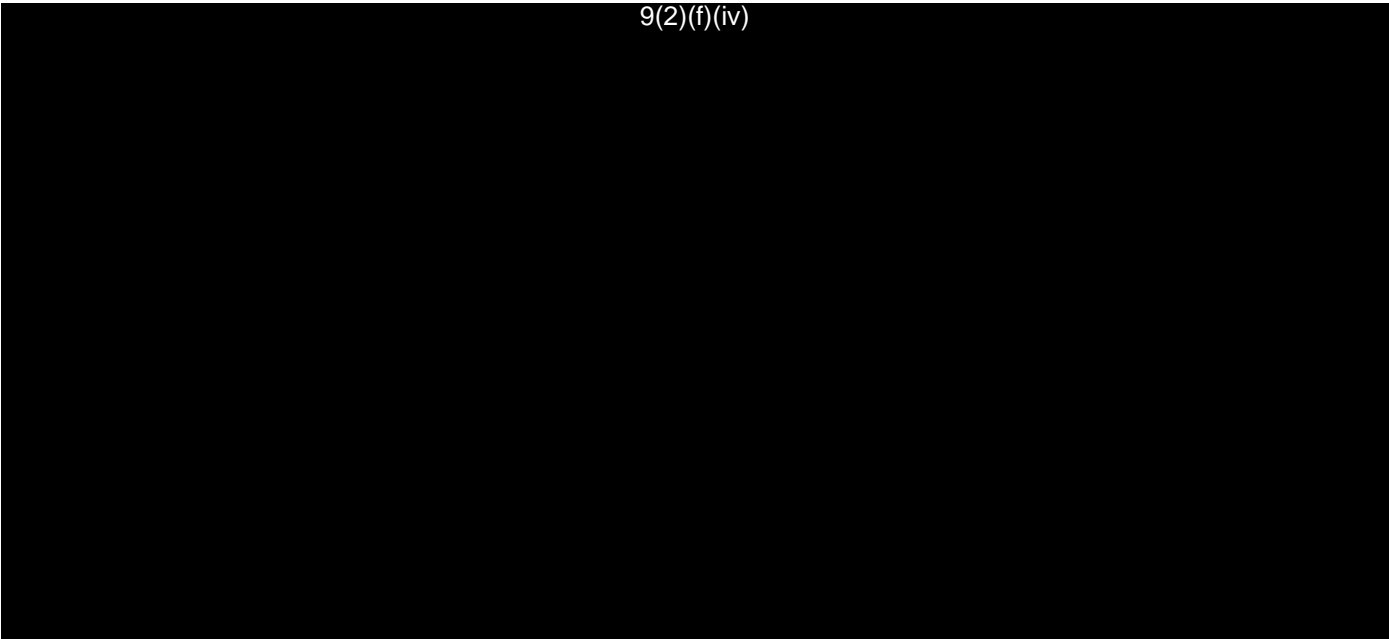
Implications


Costs

39. The Hōkai Nuku Change Programme represents the changes required, over a five year period, to achieve major improvement to the way Ara Poutama Aotearoa operates. This builds the platform for the transformation articulated in Hōkai Rangi.
40. 9(2)(f)(iv)
41. 9(2)(f)(iv)
42. The specific change activities for years three to five will be informed by the detailed design, and lessons learned, from the first two years of this change programme. Ara Poutama Aotearoa will seek Cabinet endorsement of this next phase of the Hōkai Nuku Change Programme at the end of 2021.


Benefits

9(2)(f)(iv)



44. Ara Poutama Aotearoa is just one part of the justice and wider social sector, so cannot, in and of itself, make the scale of changes required to achieve a 30 percent reduction in the prisoner population over the next 15 years.
45. 9(2)(f)(iv)  These will support sector reform that will lead to: less trauma for victims in the system; increased focus on restoration and rehabilitation; reduced Māori overrepresentation; and better treatment of mental health, drug or addiction problems. The Hōkai Nuku Change Programme will make a substantial contribution towards these outcomes.

9(2)(f)(iv)



47. Relative to the current operating model, the criminal justice sector reforms (under Hāpaitia, including the Hōkai Nuku Change Programme) are expected to deliver significant indirect benefits associated with increased employment, improved health outcomes, improved access to housing, positive intergenerational impacts, higher educational attainment and reduced cost of crime.

48. 9(2)(f)(iv)



Other government priorities

49. The Hōkai Nuku Change Programme supports the government's wider aspirations and priorities including the Wellbeing agenda and the desire for more accessible, joined-up public services. The proposed changes have been developed with improved wellbeing as a core goal. Ara Poutama Aotearoa will test and validate approaches for scaling up projects such as the Māori Pathways once the evidence, outputs from work with our partners, and benefits become clear.

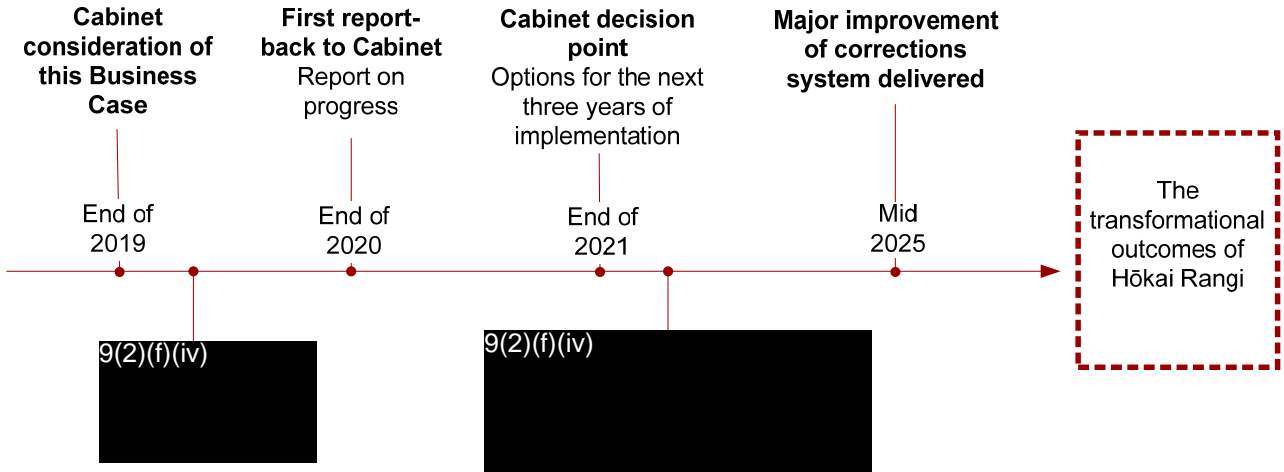
50. The Hōkai Nuku Change Programme recognises that Ara Poutama Aotearoa cannot achieve its goals alone, and outlines a commitment to genuine partnerships with other agencies. Many of these partnerships are already well established. For example, Ara Poutama Aotearoa is delivering the Creating Positive Pathways initiative with the Ministry of Social Development and the Ministry of Housing and Urban Development. This trial will provide 250 additional public housing places, so that people exiting prison with an unmet housing need are able to access stable accommodation.

51. The government is also committed to building a world leading prison at Waikeria that will include a New Zealand-first mental health facility. The Waikeria Mental Health and Addiction Service will see the Ministry of Health and Ara Poutama Aotearoa improve capability and capacity of mental health treatment for people in their care by developing services in partnership with mana whenua and the Waikato District Health Board.

Decision Points

52. I am seeking Cabinet endorsement of the Hōkai Nuku Business Case and programme of change. 9(2)(f)(iv) [redacted] subsequent decision points outlined below:

Figure 5: Reporting and decision points



53. I recommend Cabinet direct Ara Poutama Aotearoa to report on its progress towards major improvement by the end of 2020, and present Cabinet with options for the last three years of this change programme by the end of 2021 (**Rec 5**).

Consultation

54. The following agencies have been consulted on this paper: Ministry of Justice, New Zealand Police, Oranga Tamariki, Te Arawhiti, Te Puni Kōkiri, Ministry of Education, Ministry of Health, Ministry of Social Development, Ministry of Housing and Urban Development, Kāinga Ora, Department of Internal Affairs, Ministry for Women, Ministry for Pacific Peoples, Treasury, the State Services Commission, and the Department of Prime Minister and Cabinet.
55. Agencies were supportive of this paper and its direction. The paper was updated to respond to feedback where appropriate.

Financial Implications

56. While there are no immediate financial implications arising from this paper. It is seeking endorsement of a change programme that will deliver major improvement to the corrections system over the next five years.
57. 9(2)(f)(iv) [redacted]

Legislative Implications

58. There are no immediate regulatory or legislative implications arising from this paper.

Impact Analysis

59. A regulatory impact statement is not required.

Te Tiriti o Waitangi

60. The overrepresentation of Māori in the corrections system has been a key driver for developing Hōkai Rangi, the Hōkai Nuku Business Case and the Hōkai Nuku Change Programme, recognising the obligations of Ara Poutama Aotearoa under Te Tiriti o Waitangi to achieve equitable outcomes and enhance Māori wellbeing.
61. Strengthening partnerships with Māori is a key area of change and will be prioritised throughout the Hōkai Nuku Change Programme, reflecting a commitment to all articles of Te Tiriti o Waitangi.

Human Rights

62. There are no immediate human rights implications arising from this paper. The Hōkai Nuku Change Programme will contribute towards the aspirations outlined in the United Nations Declaration on the Rights of Indigenous Peoples.

Gender Implications

63. I expect that the proposed changes will contribute to more gender-responsive ways of working, and will enable increased connection and support among family and whānau.
64. There are approximately 700 women in prison and 6,000 on community sentences and orders. Wāhine Māori are overrepresented among these groups, making up approximately 60 percent of women in prison and 54 percent of women on community sentences and orders.
65. Many women are also impacted by having a family or whānau member in the care and management of Ara Poutama Aotearoa. This places a significant burden on women and negatively impacts children. There are approximately 23,000 children with a parent in Ara Poutama Aotearoa's care and management, which can perpetuate intergenerational harm.

Disability Perspective

66. There are no immediate implications from a disability perspective arising from this paper.
67. I expect that the proposals in the Hōkai Nuku Change Programme will contribute to improved treatment for disabled people in the care and management of Ara Poutama Aotearoa.

Publicity


68. At this stage, no publicity is planned.

Proactive Release

69. I propose to proactively release this paper within 30 business days, subject to redactions as appropriate under the Official Information Act 1982.

Recommendations

The Minister of Corrections recommends that the Committee:

1. **note** that in December 2018, Cabinet agreed to adopt 'major improvement' in services as the strategic path for the prison network [CAB-18-MIN-0641] (para 3 and para 13).
2. **endorse** the Hōkai Nuku Change Programme, which describes a five year programme of change to deliver 'major improvement' to the corrections system, as directed by Cabinet (para 6 and para 34).
3. **note** that the Hōkai Nuku Change Programme is an essential step towards achieving the government's objectives of a 30 percent reduction in the prison population and eliminating the overrepresentation of Māori in the justice system (para 6 and para 37).
4. **9(2)(f)(iv)** 
5. **direct** Ara Poutama Aotearoa to report on its progress towards major improvement by the end of 2020, and present Cabinet with options for the last three years of this change programme by the end of 2021 (para 9 and para 53).

Authorised for lodgement

Hon Kelvin Davis

Minister of Corrections



Cabinet Business Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

The Next Step Towards a New Future for Ara Poutama Aotearoa

Portfolio **Corrections**

On 25 November 2019, the Cabinet Business Committee:

- 1 **noted** that in December 2018, the Cabinet Social Wellbeing Committee (SWC) agreed to adopt ‘major improvement’ in services as the strategic path for the prison network [SWC-18-MIN-0179];
- 2 **endorsed** the Hōkai Nuku Change Programme, which describes a five year programme of change to deliver ‘major improvement’ to the corrections system, referred to above;
- 3 **noted** that the Hōkai Nuku Change Programme is an essential step towards achieving the government’s objectives of a 30 percent reduction in the prison population and eliminating the overrepresentation of Māori in the justice system;
- 4 9(2)(f)(iv) [REDACTED]
- 5 **directed** Ara Poutama Aotearoa to report on its progress towards major improvement by the end of 2020, and present SWC with options for the last three years of this change programme by the end of 2021.

Vivien Meek
Committee Secretary

Hard-copy distribution (see over)

Present:

Rt Hon Winston Peters (Chair)
Hon Kelvin Davis
Hon Grant Robertson
Hon Phil Twyford
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Andrew Little
Hon Carmel Sepuloni
Hon Dr David Clark
Hon Nanaia Mahuta
Hon Tracey Martin
Hon James Shaw

Officials present from:

Department of the Prime Minister and Cabinet

Hard-copy distribution:

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