



DEPARTMENT OF CORRECTIONS

STATEMENT OF INTENT

1 JULY 2004 – 30 JUNE 2005

PRESENTED TO THE HOUSE OF
REPRESENTATIVES PURSUANT TO SECTION 34A
OF THE PUBLIC FINANCE ACT 1989



DEPARTMENT
OF CORRECTIONS

Produced by the Department of Corrections
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INTRODUCTION

The *Statement of Intent* sets out the overall direction of the Department for the period 1 July 2004 to 30 June 2005. It is organised into three parts.

Part 1 sets out the purpose and principles guiding the Department's day-to-day operations, the environment and issues that impact upon those operations, the Department's approach to managing offenders, strategies to mitigate against identified risk areas, the Department's strategic direction and how this links with the key government goals, the major initiatives for 2004/05 and how the Department will measure its progress.

Part 2 contains the Department's forecast financial statements prepared in accordance with section 34A of the Public Finance Act 1989. Included in these are detailed descriptions of the outputs that will be delivered during 2004/05, the performance standards associated with these outputs, and statements setting out the Department's operating costs and expected financial position.

Part 3 provides information about the Department including its structure and arrangements for the delivery of services. It also outlines the Department's approach to the introduction of triple bottom line reporting. An overview of the justice sector and details of the Department's contribution to the achievement of the sector's outcomes are included.

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MINISTER'S FOREWORD

THE GOVERNMENT IS WELL ON TRACK TO ENHANCE COMMUNITY SAFETY AS PART OF ITS RESPONSE TO PUBLIC CONCERNS ABOUT THE CRIMINAL JUSTICE SYSTEM EXPRESSED IN THE 1999 REFERENDUM.

Corrections – along with the other justice sector agencies – is working under the new sentencing, parole and victims' rights legislation: the Sentencing Act 2002, Parole Act 2002 and Victims' Rights Act 2002. When the corrections legislation is also passed this will modernise the Government's approach to the management of offenders and ensure public safety is the paramount consideration in all decisions made in managing offenders – in prison, on community-based sentences or on parole. The essential purpose of these major reforms is to produce a criminal justice system for New Zealanders that better protects the public and gives greater recognition to the needs of victims, while enabling best practice management of offenders.

To ensure that the Department of Corrections is able to deliver on the Government's policies the Department needs appropriate resourcing. We have recently conducted an Output Pricing Review and based on the outcomes of this, Corrections is progressively implementing its *Strategic Business Plan* launched last year.

One of the decisions arising out of the review has been to increase the number of Probation Officers and the amount of training they receive which will assist the Department to manage increased volumes and restore service levels. In addition to the 60 Probation Officers appointed in the 2003/04 year, a further 40 Probation Officers will be recruited during the 2004/05 year, and a further 10 in the 2005/06 year.

This *Statement of Intent* details the work plan for the 2004/05 year that flows from the Department's business plan. Of particular importance to the Government are the initiatives that will be undertaken to identify and build effective reintegrative services for offenders. As part of this, the Government has provided additional funding to the New Zealand Prisoners' Aid and Rehabilitation Society to ensure that the services they provide can be maintained at existing levels.

The ongoing implementation of the Government's policy to place inmates closer to their homes and support networks – through the Regional Prisons Development Project – will also contribute to the more effective reintegration of inmates into society. Another area of focus will be on strengthening arrangements to manage the long-term risk posed by serious child sex offenders following their release from prison. The new arrangements will be implemented when the Extended Supervision and Parole Amendment Bill is passed.

I am pleased to endorse the Department's *Statement of Intent*. Corrections is well placed to build positively on its development over past years and to achieve its two secondary outcomes of protecting the public and reducing re-offending.

Hon Paul Swain
Minister of Corrections



CHIEF EXECUTIVE'S OVERVIEW

AFTER A PERIOD OF MAJOR DEVELOPMENT, THE DEPARTMENT OF CORRECTIONS IS FOCUSING ON CONSOLIDATING THE CHANGES MADE AND NEW APPROACHES INTRODUCED SINCE THE INCEPTION OF THE ORGANISATION IN 1995. WE ARE NOW LOOKING TO BUILD ON, AND REFINE, WHAT HAS BEEN PUT IN PLACE AND THIS STATEMENT OF INTENT SETS OUT THE SPECIFIC STEPS IN THE EARLY STAGES OF THAT JOURNEY.

This *Statement of Intent* is the second in the lifespan of the Department's five-year *Strategic Business Plan* launched in 2003. The plan has a very strong focus on consolidating the gains made since Corrections was established and the initiatives in this *Statement of Intent* reflect that focus.

Since the plan was launched the Department has completed an Output Pricing Review. The results of the review mean that the Department will be able to maintain and enhance the core components of its capability, namely: people; infrastructure; and information technology. Building the capability of our people and their support systems is essential to the development of Corrections' best practice performance and to achieving better results across all the dimensions of offender management.

The levels of funding provided in the review should ensure the Department can maintain its momentum and progress over the planning cycle to 2007/08. It also means that we can invest more in training our people in the requirements of the legislation and regulations in respect to core operational practice and thus better ensure offenders are appropriately managed. I am grateful to our Minister for the support provided in obtaining this result that now provides certainty for the medium term.

An important focus is on our relationships with our stakeholders, and neighbours, and the broader communities of which we are a part. We recognise the wide interest there is in our activities and are committed to responding to this positively.

We will also continue to work effectively with our justice sector colleagues and make a strong contribution to the key government goals and the justice sector outcomes of safer communities and a fairer, more credible and more effective justice system.

In the period of this *Statement of Intent* we will also be implementing our new approach to management of programmes for offenders. From 1 July, Intervention Services will become operational as part of Probation and Offender Services and will manage and deliver core interventions to offenders in the community and prisons. This move is an important element of our focus on addressing the reasons for offending and working with offenders to change offending behaviour.

A major event in this coming year will be the passage of the new corrections legislation. This has been underway for a number of years and will provide a modern and more appropriate framework for the Department to operate within. In a number of ways it represents a landmark in the evolution of the Department since its establishment. I thank our Ministers for the support they have given to this exercise over the years. It is a fitting point from which to inform future developments.



Mark Byers
Chief Executive



PART 1

STRATEGIC DIRECTION

PART 1 – STRATEGIC DIRECTION

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PURPOSE AND PRINCIPLES GUIDING THE CORRECTIONS SYSTEM

THE PURPOSE AND PRINCIPLES GUIDING THE CORRECTIONS SYSTEM HAVE BEEN AGREED WITH THE GOVERNMENT AND ARE INCLUDED IN NEW CORRECTIONS LEGISLATION.

PURPOSE

The purpose of the corrections system is to improve public safety and contribute to the maintenance of a just society by:

- ensuring that the community-based and custodial sentences and related orders that are imposed by the courts and the New Zealand Parole Board are administered in a safe, secure, humane and effective manner; and
- providing for corrections facilities to be operated in accordance with rules set out in the corrections legislation and regulations made under this legislation that are based, amongst other matters, on the United Nations Standard Minimum Rules for the Treatment of Prisoners; and
- assisting in the rehabilitation of offenders and their reintegration into the community, where appropriate, and as so far as is reasonable and practicable in the circumstances and within the resources available, through the provision of programmes and other interventions; and
- providing information to the courts and the New Zealand Parole Board to assist them in their decision-making.

PRINCIPLES GUIDING CORRECTIONS SYSTEM

The principles that guide the operation of the corrections system are listed here.

- The maintenance of public safety is the paramount consideration in decisions about the management of persons under control or supervision.
- Victims’ interests must be considered in decisions related to the management of persons under control or supervision.
- In order to reduce the risk of reoffending, the cultural background, ethnic identity, and language of offenders must, where appropriate and to the extent practicable within the resources available, be taken into account:
 - in developing and providing rehabilitative programmes and other interventions intended to effectively assist the rehabilitation and reintegration of offenders into the community; and
 - in sentence planning and management of offenders.
- Offenders must, where appropriate and so far as is reasonable and practicable in the circumstances, be provided with access to any process designed to promote restorative justice between offenders and victims.
- An offender’s family must, so far as is reasonable and practicable in the circumstances and within the resources available, be recognised, and involved in:
 - decisions related to sentence planning and management, rehabilitation and reintegration of the offender into the community; and
- planning for participation by the offender in programmes, services and activities in the course of his or her sentence.
- The corrections system must ensure the fair treatment of persons under control or supervision by:
 - providing those persons with information about the rules, obligations, and entitlements that affect them; and
 - ensuring that decisions about those persons are taken in a fair and reasonable way and that those persons have access to an effective complaints procedure.
- Sentences and orders must not be administered more restrictively than is necessary to ensure the maintenance of the law and safety of the public, corrections staff, and persons under control or supervision.
- Offenders must, so far as is reasonable and practicable in the circumstances within the resources available, be given access to activities that may contribute to their rehabilitation and reintegration into the community.
- Contact between offenders and their families must be encouraged and supported so far as is reasonable and practicable in the circumstances, and to the extent that this contact is consistent with safety and security requirements.

DEPARTMENT'S FOCUS

THE GOVERNMENT HAS DETERMINED KEY GOVERNMENT GOALS TO GUIDE THE PUBLIC SECTOR IN ACHIEVING SUSTAINABLE DEVELOPMENT AND PROVIDE THE OVERALL FRAMEWORK IN WHICH THE JUSTICE SECTOR OPERATES.

The six key government goals are to:

- strengthen national identity and uphold the principles of the Treaty of Waitangi
- grow an inclusive, innovative economy for the benefit of all
- maintain trust in Government and provide strong social services
- improve New Zealanders' skills
- reduce inequalities in health, education, employment and housing
- protect and enhance the environment.

Corrections directly contributes to four of these goals, as illustrated in the diagram on the facing page.

In early 2003 the Department, in conjunction with the other core agencies of the justice sector, developed two sector end outcomes of safer communities and a fairer, more credible and more effective justice system.

The justice sector's end outcomes reflect the importance of crime reduction priorities and ensuring the justice system continues to meet the needs of society. These end outcomes will assist the Government in achieving its key goals.

The sector has recently completed initial development of specific intermediate outcomes that sit under each of the end outcomes. (See Part 3, page 117, for a list of the justice sector intermediate outcomes.) The sector will monitor and periodically report progress towards the achievement of the intermediate outcomes.

The Department's strategic direction centres primarily on the justice sector

end outcome of safer communities, supported by the achievement of the Department's two secondary outcomes of protecting the public and reducing re-offending.

The Department contributes to **protecting the public** by:

- providing a safe environment for staff and the public
- managing offenders in a safe, secure and humane manner
- ensuring appropriate compliance with, and administration of, sentences and orders
- providing information to the judiciary to inform the sentencing process and release conditions
- supporting reparation to the community.

The Department contributes to **reducing re-offending** through changing offending behaviour by providing targeted rehabilitative and reintegrative initiatives. To do this the Department supplies:

- a risk and needs assessment for offenders to determine how best to address offending behaviour

- programmes to encourage offenders to address their offending behaviour
- programmes to address offenders' offence-related needs
- education
- training
- work experience
- assistance with accessing community services so that offenders can be successfully integrated back into society and thereby provide offenders with the opportunity to positively participate in society.

The Department's strategic direction contributes to the justice sector end outcome of a fairer, more credible and more effective justice system through:

- the effectiveness of the Department's interventions, and
- operating in a way that is consistent with its agreed purpose and principles thereby contributing to improved perceptions about the fairness of the justice system.

The following diagram shows how the Department’s outcomes of **protecting the public** and **reducing re-offending** contribute towards the achievement of the justice sector end and intermediate outcomes and support the key Government goals.

LINKAGES BETWEEN CORRECTIONS' OUTCOMES AND KEY GOVERNMENT GOALS

KEY GOVERNMENT GOALS

<p>Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi</p> <p>Celebrate our identity in the world as people who support and defend freedom and fairness, who enjoy arts, music, movement and sport, and who value our diverse cultural heritage; and resolve at all times to endeavour to uphold the principles of the Treaty of Waitangi.</p>	<p>Maintain Trust in Government and Provide Strong Social Services</p> <p>Maintain trust in government by working in partnerships with communities, providing strong social services for all, building safe communities and promoting community development, keeping faith with the electorate, working constructively in Parliament and promoting a strong and effective public service.</p>	<p>Reduce Inequalities in Health, Education, Employment and Housing</p> <p>Reduce the inequalities that currently divide our society and offer a good future for all by better co-ordination of strategies across sectors and by supporting and strengthening the capacity of Māori and Pacific Island communities. Ensure that all groups in society are able to participate fully and enjoy the benefits of improved production.</p>	<p>Improve New Zealanders' Skills</p> <p>Foster education and training to enhance and improve the nation's skills so that all New Zealanders have the best possible future in a changing world. Build on the strengthened industry training and tertiary sectors to ensure that New Zealanders are among the best educated and most skilled people in the world.</p>
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JUSTICE SECTOR END OUTCOMES

<p>Safer communities</p> <p>Being communities in which there is reduced crime and in which safety and wellbeing is enhanced through partnerships.</p>	<p>A fairer, more credible, and more effective justice system</p> <p>Being a system in which people's interactions are underpinned by the rule of law and justice services are more equitable, credible and accessible.</p>
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JUSTICE SECTOR INTERMEDIATE OUTCOMES

<p>Reduced</p> <ul style="list-style-type: none">• youth offending• offending by Māori• violence• family violence• burglary• organised crime• serious traffic offending• theft of and from cars.	<p>Improved</p> <ul style="list-style-type: none">• access to and delivery of court services, and child, youth and family services• public confidence in the Police, judiciary and other justice institutions• relationships between the Crown and Māori• laws governing family relationships and other private dealings.
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DEPARTMENT'S OUTCOMES

<p>Protecting the Public</p>	<p>Reducing Re-offending</p>
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ENVIRONMENT, ISSUES AND IMPLICATIONS

IN DETERMINING HOW TO GIVE BEST EFFECT TO ITS STRATEGIC DIRECTION THE DEPARTMENT TAKES ACCOUNT OF THE ENVIRONMENT IN WHICH IT OPERATES AND THE ISSUES THAT IMPACT UPON ITS OPERATIONS. THE KEY FACTORS AND THEIR IMPLICATIONS ARE SET OUT IN THIS SECTION.

Demographic information is based on census data from Statistics New Zealand and prison population and Community Probation Service new starts forecasts sourced from data released by the Ministry of Justice in December 2002. The revised prison population forecast released by the Ministry of Justice in December 2003 is also included.

DEMOGRAPHIC TRENDS

New Zealand's population is expected to increase steadily over the coming decades, rising to just over 4.5 million by 2021. The population will also get steadily older, with the median age increasing from 35 to 40 by 2021. These changes will not be uniform and will vary from region to region and across different ethnic groups.

- Eighty-eight percent of all growth will occur in the four northernmost regions (Northland, Auckland, Waikato and Bay of Plenty).
- Māori and Pacific peoples' growth rates will also be significantly higher than most of the rest of the population.
- While the Māori and Pacific peoples' populations will get steadily older, the median age for both will still be significantly less than for the rest of the population.

PRISON POPULATION TRENDS

New Zealand has a higher rate of imprisonment per 100,000 population than other comparable countries. This can be seen from the following table.

IMPRISONMENT PER 100,000 POPULATION

NZ	Canada	Australia	England & Wales	Scotland
146	116	113	136	128

Based on data for 2002/03

In December 2003 the Ministry of Justice released its revised forecast of the prison population through to 2010. This forecast indicates the number of sentenced inmates will increase from a projected 5,090 for the 2003/04 year to 5,960 in 2010. The number of inmates on remand will increase from a projected 1,120 for the 2003/04 year to 1,380 in 2010.

RE-OFFENDING AND IMPRISONMENT

There is a strong connection between rates of re-offending and rates of imprisonment.

The census of prison inmates carried out in November 2001¹ showed that for male sentenced inmates, only 20 percent had no previous criminal convictions, 51 percent had at least six convictions and 9 percent had over 20 convictions. The corresponding percentages for female inmates were 35 percent, 39 percent and 8 percent. Sixty percent of male and 41 percent of female inmates had served a previous custodial sentence.

For males sentenced to community sentences, 26 percent had no previous criminal convictions, 52 percent had at least six previous convictions and 24 percent had more than 20 previous convictions.

¹ The Department has undertaken a further prison census as at November 2003. The results of this survey are currently being collated.

The Department’s Recidivism Index quantifies the rate of re-offending over a specified period following an offender’s release from a custodial or community-based sentence.

The table below shows the rates of reconviction and re-imprisonment in the two years following release.

RATES OF RECONVICTION AND RE-IMPRISONMENT

Release period	From prison		From community sentence	
	reconvicted %	re-imprisoned %	reconvicted %	re-imprisoned %
1998/1999	59.0	37.4	47.4	19.6
1999/2000	60.2	37.9	46.7	19.3
2000/2001	55.1	34.6	45.1	18.6

Re-offending by those in the highest-risk group is likely to cost an average of \$500,000 per offender in the five years following conviction. Therefore, successful rehabilitation which “shuts down” a lifetime of offending has the potential to return social and fiscal benefits.

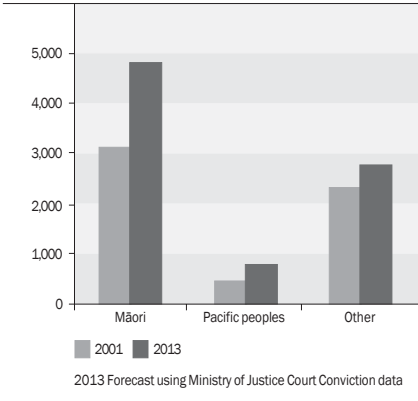
ETHNICITY

Māori and Pacific peoples are disproportionately represented in the criminal justice system and, therefore, in the offender groups that Corrections manages. This trend is expected to continue as a result of the higher proportions of Māori and Pacific peoples in the 15-24 year old age range, which is the group that statistics indicate is most likely to offend.

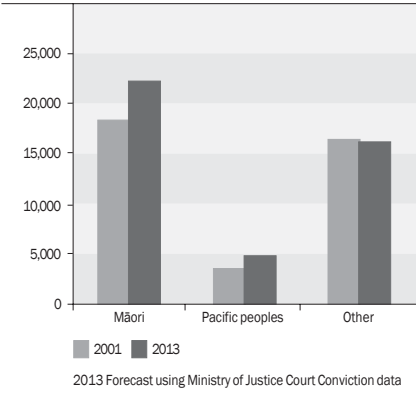
Over the next decade, the number of offenders of Māori and Pacific peoples’ ethnicity is projected to increase disproportionately in both custodial and community-based sentences.

By 2013, Public Prisons Service (PPS) inmate numbers are forecast to grow by 1,693 for Māori, 332 for Pacific peoples and 425 for other groups. By 2013, Community Probation Service (CPS) new starts are forecast to grow by 4,349 for Māori and 1,270 for Pacific peoples but decline by 303 for other groups.

FORECAST INMATE NUMBERS BY ETHNICITY



FORECAST CPS NEW STARTS BY ETHNICITY



GENDER

The majority of offenders managed by the Department are male. As at 31 March 2004, 94 percent of all prison inmates and 81 percent of those serving community-based sentences were male.

While it is projected that the number of female offenders will increase significantly in the period to 2010, the overall ratio between male and female offenders will remain approximately the same.

Any increase in female offending, however, raises particular issues, especially in terms of the facilities and services required, and the impact increased offending may have upon dependent children.

REGIONAL TRENDS

Regional trends in offending are expected to reflect overall trends in population growth. This, in turn, will be reflected in regional prison inmate numbers and community sentence numbers, with most growth occurring in the northern part of the North Island.

YOUNG OFFENDERS

The age at which young offenders first enter the criminal justice system is significant.

The census of prison inmates conducted in 2001 shows that 62 percent of male and 53 percent of female inmates received their first

conviction between the ages of 14 and 19 years.

An analysis carried out in November 2001 of offenders on community-based sentences showed 58 percent of male offenders and 36 percent of female offenders had their first conviction when aged 19 years or younger, and nearly half the offenders were younger than 30 years old.

Studies have shown that during a lifetime of offending the average chronic offender will cost taxpayers and victims more than \$3 million, while the most chronic and serious adult offenders will cost more than \$5 million. Consequently, successful rehabilitation of high-risk, young offenders, which “shuts down” a lifetime of offending, has the potential to return greater social and fiscal benefits than any other area of investment in rehabilitation.

DRUGS AND ALCOHOL

The negative effects of drugs and alcohol have been shown to be closely related to crime and proven to be a significant factor in further offending.

For many offenders, abuse of drugs and/or alcohol is a significant factor in the sequence of events leading to the commission of an offence. Assessments undertaken by the Department have revealed that the use of alcohol and drugs was a

significant factor in the offending of 73 percent of inmates sentenced to prison, and 61 percent of offenders serving community-based sentences.

VIOLENCE

There was a 55 percent growth in the number of convictions for violent offences between 1991 and 2001.

Violence is now the second most prevalent offence of reconviction and re-imprisonment (behind property offences) and an increasing cause of public concern.

The 2001 census of prison inmates shows that:

- 62 percent of male sentenced inmates and 46 percent of female sentenced inmates were in prison for violent offences
- robbery, grievous assault and homicide were the most common types of violent offences committed
- 36 percent of male offenders and 11 percent of female offenders sentenced for a violent offence had been previously convicted of a violent offence.

An analysis in 2001 showed that 24 percent of male offenders and 15 percent of female offenders on community-based sentences had been previously convicted of a violent offence.

IMPLICATIONS

In undertaking the safe, secure and humane management of offenders, and ensuring compliance with, and the correct administration of, sentences and orders, the Department recognises and responds to the particular requirements and challenges of the environment in which it is operating and the factors that directly influence its operations. This encompasses the effective management of young offenders, an increased focus on the management

of women inmates and the appropriate management of inmates serving longer sentences. There will also be a continuing focus on effectively addressing the needs of Māori offenders given the forecast for continuing disproportionate representation of Māori in the criminal justice system. The Department will address issues associated with re-offending through the implementation of strategies designed to improve outcomes for Pacific peoples.

To break the cycle of offending, initiatives have been developed to address some of the key causes of offending, including violence and the impact of alcohol and drugs, and interventions to reduce intergenerational offending. The Government’s regional prisons policy will ensure that the Department has facilities in place to accommodate the predicted increases in inmate numbers overall, and ongoing trends in the geographic location of those offenders.

APPROACH TO MANAGING OFFENDERS

THE DEPARTMENT MANAGES OFFENDERS THROUGH AN INTEGRATED APPROACH THAT APPLIES ACROSS ALL SENTENCE TYPES, SENTENCE LENGTHS AND LOCATIONS.

This integrated approach is underpinned by tools for assessing an offender’s risk of re-offending and their particular criminogenic needs. For higher-risk offenders, needs are closely matched with interventions that focus on rehabilitation. For lower-risk offenders, reintegration into the community is the key focus.

As a first step, many offenders may also need some assistance to motivate them to address their offending behaviour. In such cases the initial focus will be on either cognitive-based programmes or a tikanga-based programme. Should there be a consequent change in motivation the offender may go on to have interventions targeted at their criminogenic needs as they relate to the cause of their offending.

Offenders, depending on their risk status and criminogenic needs, will receive interventions from the range outlined in the following diagram.

INTERVENTIONS IN THE MANAGEMENT OF OFFENDERS

<div>SERVING A SAFE SENTENCE</div> <div>Safe, secure and humane containment<ul style="list-style-type: none">“At risk” assessmentsSecurity classificationConstructive activitiesDrug and alcohol strategy/drug testingProvision of a safe environment for staff and publicSafe, secure and humane management of offendersSentence compliance in the community</div>	<div>EQUIPPING FOR SELF-SUFFICIENCY</div> <div>Education and employment<ul style="list-style-type: none">Basic numeracy and literacy skillsNational Certificate of Employment SkillsVocational training and experienceEducation for youthEmploymentAccess to more advanced education</div>
<div>AIMING TO CHANGE BEHAVIOUR</div> <div>Responsivity/Motivational<ul style="list-style-type: none">Straight ThinkingTikanga Māori programmesMotivational interviewingFaith-based unitChaplaincyRehabilitation<ul style="list-style-type: none">Alcohol and drug abuse programmesViolence prevention programmesGeneric rehabilitative programmesMaking our Drivers Safer programmesCultural supervisionBicultural therapyMāori therapeutic programmesYouth unit programmesTreatment by psychologistsSpecial treatment units – Drug and Alcohol, Sex Offender, Violence Prevention</div>	<div>REMOVING BLOCKAGES TO REMAINING OFFENCE-FREE</div> <div>Reintegration<ul style="list-style-type: none">Basic living skillsParentingBudgetingSelf-care unitsLinks to community support servicesDay release/work releaseHome leaveRelapse prevention programmeInvolve family/whanau, hapu and iwi in reintegration plansTailored to meet the needs of different cultural groups, specially focused on the needs of young people, and womenVictim empathyOffenders as victims</div>

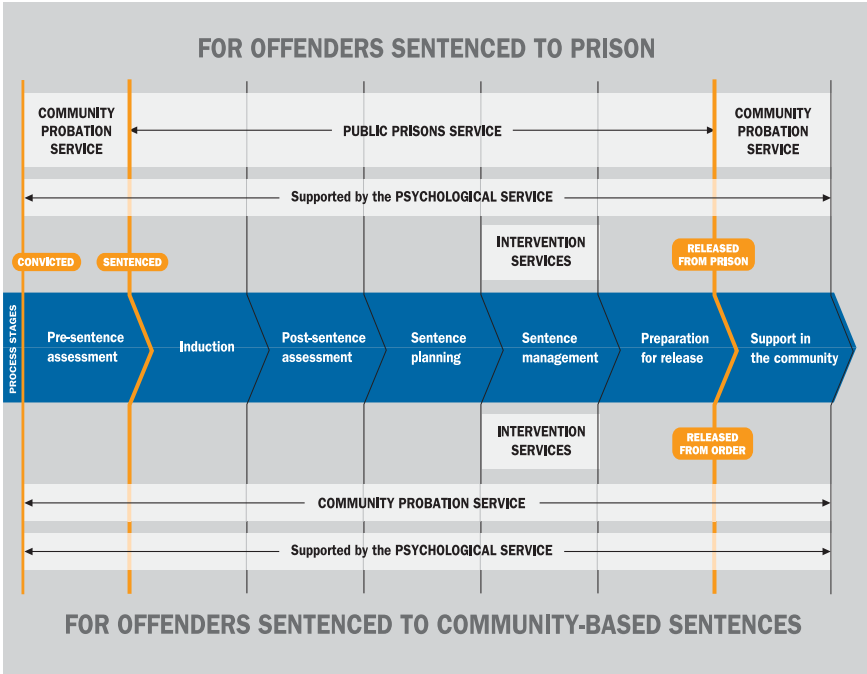
The design of the interventions and associated business processes has been based on studies of “what works with offenders” both internationally and in New Zealand,² and takes into account the New Zealand environment, nature and characteristics of the offending population. Unfortunately, there is no “one size fits all” solution. The best results are when the right person receives the right intervention, in the right situation, at the right time – and gets good support from community, friends and family for maintaining their new behaviours once their sentence has ended.

In general, positive overall results in reducing re-offending come from being able to identify:

- people who are highly likely to re-offend upon release from their current sentence (that is, have a high “risk”)
- the factors such as attitudes, thought processes, habits and addictions that relate to offending
- a person’s level of willingness and ability to benefit from a therapeutic programme
- the right type of intensive, structured and long-running programme – real change is never easy or quick, even when the person is willing
- the right time for a programme to occur.

Corrections’ integrated approach to offender management is illustrated in the following diagram.

SENTENCE MANAGEMENT PROCESS



² The principles of the psychology of criminal conduct are found in Andrews and Bonta, *The Psychology of Criminal Conduct* (3rd Edition), 2003. The New Zealand experience is reported in the departmental publications *Let there be Light, When the Bough Breaks, Montgomery House Evaluation* and *Driving Offender Treatment Programme Evaluation*.

RISK MANAGEMENT

THE DEPARTMENT OF CORRECTIONS RECOGNISES THAT RISK MANAGEMENT IS AN INTEGRAL COMPONENT OF DEPARTMENTAL OPERATIONS. RISK MANAGEMENT IS THE ONGOING REQUIREMENT OF ALL STAFF TO IDENTIFY AND ADDRESS RISK THAT MAY IMPACT ON THE ACHIEVEMENT OF THE DEPARTMENT'S OBJECTIVES AND THE DELIVERY OF SERVICES.

A risk management framework was implemented across the Department as at 30 June 2001. A key objective since then has been to ensure the fundamentals of the framework are firmly incorporated into management practices across the Department.

The risk management process involves the identification, analysis and evaluation of risks, and the implementation of effective risk mitigation strategies.

The following table identifies a number of risk areas that are related to key initiatives.

RISK MANAGEMENT STRATEGIES

Risk Area	Mitigating Strategies
Effective management of high-risk offenders	Implementation of policies for the identification, notification, and management of high-risk offenders
Cost, timeframe and commissioning issues for the Regional Prisons Development Project	Ongoing project monitoring and assurance activities
Performance requirements for Corrections Inmate Employment	Ongoing monitoring and review of operations
Sufficient staff capability to successfully deliver effective offender management as specified	Resources dedicated to training and development of staff and monitoring achievement of standards
Effectiveness of rehabilitative interventions designed to contribute to reducing re-offending	Development and implementation of specialist rehabilitative programmes
Increased litigation by offenders with consequent issues of public confidence and increased costs	Implementation and ongoing monitoring of national compliance processes for core operational management systems
The integration of Auckland Central Remand Prison into the Public Prisons Service	Implementation project in place

The Department's risk management framework is based on the Australian/New Zealand Standard AS/NZS 4360:1999 *Risk Management* that is currently being revised. The Department will assess its risk management framework in light of any revision of the AS/NZS 4360 Standard. The Internal Audit Unit will continue to facilitate the risk management process through the delivery of a practical workshop-based approach to risk assessment in the coming year.

STRATEGY

IN 2003 THE DEPARTMENT LAUNCHED ITS LATEST STRATEGIC BUSINESS PLAN SETTING THE STRATEGIC DIRECTION FOR THE ORGANISATION TO 30 JUNE 2008. THIS DIRECTION IS CONSISTENT WITH BOTH THE KEY GOVERNMENT GOALS AND THE JUSTICE SECTOR END AND INTERMEDIATE OUTCOMES.

A *Māori Strategic Plan*, a *Pacific Strategy* and four operational strategies support the *Strategic Business Plan*.

The plan is based around four themes that provide a framework for the Department to deliver on its outcomes and address the issues outlined previously.

The four themes encapsulate the Department’s responsibilities and priority areas and assist staff and managers to focus their efforts.

THEME 1: ENSURING EFFECTIVE OFFENDER MANAGEMENT

Public safety is paramount to the Department’s operations. Corrections is committed to continuing to improve the way it manages offenders, both from a custodial and non-custodial perspective, by continuing its focus on the safe, secure and humane management of offenders.

The Department has put in place an integrated approach to the way that offenders are managed across all sentence types, lengths and locations.

The focus in managing offenders effectively now moves to:

- ensuring new processes, tools and procedures are operating as designed, and are consolidating the changes made
- ensuring that services are delivered within business-like principles and that the Department is continually improving business processes and identifying areas for review and redesign.

THEME 2: IMPROVING RESPONSIVENESS TO MĀORI

Corrections has identified the criticality of addressing the needs of Māori offenders effectively. Its recently released *Māori Strategic Plan* outlines opportunities to build relationships and strengthen communications between Māori and Corrections. Participation of Māori in the Department’s activities and initiatives will improve the effectiveness of the services that Corrections provides and help to achieve the contributory outcomes of protecting the public and reducing re-offending.

THEME 3: CONTRIBUTING TO REDUCING RE-OFFENDING

One of the outcomes for Corrections, and therefore a theme area, is to contribute towards an overall reduction in the level of re-offending.

Using a range of strategies and initiatives the Department will work to address the risks of re-offending. This will be achieved through the provision of rehabilitative and reintegrative interventions and activities designed to assist offenders to address their offending behaviours and return successfully to the community.

THEME 4: ENHANCING CAPABILITY AND CAPACITY

To achieve the first three themes Corrections requires increased capability and capacity. This theme focuses on ensuring the Department has in place the right resources, people, support systems and infrastructure.

Enhanced capability and capacity is also required to ensure that the Crown assets for which the Department is responsible, are efficiently and effectively used towards the achievement of Government outcomes.

The following diagram summarises this section by depicting the key drivers and the objectives that the Department will be addressing through the achievement of strategies and initiatives under each of the four themes.

OVERVIEW OF CORRECTIONS' STRATEGIC DIRECTION



THREE-YEAR OUTLOOK

OVER THE COMING THREE YEARS THE DEPARTMENT WILL BE WELL UNDERWAY IN DELIVERING ON THE STRATEGIES AND INITIATIVES OUTLINED IN THE STRATEGIC BUSINESS PLAN 2003-2008.

Implementation will occur across the four themes of the plan with an overall focus on consolidating the major development undertaken in the years up to 2003, and pursuing continuous improvement in all aspects of the Department's development and service delivery activities.

Progressing initiatives under theme 4 – enhancing capability and capacity – will ensure the Department is well placed to manage future demands on its services, in the next three years and beyond.

A number of the key initiatives in the *Strategic Business Plan* are

collaborative, or involve the Department contributing to sector activities, and this will be a priority in the next three years.

In line with the *Strategic Business Plan*, all the Department's activities over the coming three years will be focused on the justice sector end

outcome to which Corrections primarily contributes – safer communities. Alongside this, Corrections will continue to operate consistently with and contribute towards achievement of the end outcome of a fairer and more

effective justice system.

The specific initiatives for the immediate 12 months to 30 June 2005 will reinforce the emphasis on consolidation and quality enhancement for the next phase of

the Department's planned development. The initiatives are detailed on pages 28 to 31 of this *Statement of Intent*.

FUNDING DECISIONS

IN AUGUST 2002, THE DEPARTMENT OBTAINED MINISTERIAL APPROVAL TO UNDERTAKE AN OUTPUT PRICING REVIEW TO DETERMINE THE APPROPRIATE LEVEL OF RESOURCING TO SUSTAIN THE WORK OF THE DEPARTMENT.

The review was completed during the 2003/04 financial year and the decisions will allow the Department to deliver services to an acceptable level over the next three to five years.

Some of the key decisions arising from the review are:

- increased focus on the training and development of staff and managers
- an increase in the number of Probation Officers and the training they receive. Between the 2003/04 and 2005/06 financial years 110 full-time equivalents will be recruited
- further development of risk assessment processes for inmates

- additional property maintenance and ongoing support for the Department's Information Technology platform and infrastructure
- improved provision of health services to inmates.

In addition, the Department will implement Budget decisions including:

- construction of new corrections facilities in Auckland, South Auckland and Otago
- increases in the number of New Zealand Parole Board hearings and home detention orders

- assuming responsibility for Auckland Central Remand Prison (ACRP)
- enhancing security measures that reduce the supply of drugs into prisons
- continuation of reintegrative support services including the contract with the New Zealand Prisoners' Aid and Rehabilitation Society and contributing to the costs of volunteer organisations and volunteers
- implementation of extended supervision orders for serious child sex offenders on their release from prison.

FOCUS FOR 2004/05 – KEY INITIATIVES

THIS SECTION OUTLINES THE KEY INITIATIVES THAT ARE TO BE PROGRESSED DURING THE 2004/05 FINANCIAL YEAR. EACH OF THESE INITIATIVES FLOWS FROM THE DEPARTMENT'S 2003 – 2008 STRATEGIC BUSINESS PLAN AND THEY ARE PRESENTED UNDER THE FOUR THEMES THAT FORM THE FRAMEWORK OF THE PLAN.

THEME 1 – ENSURING EFFECTIVE OFFENDER MANAGEMENT

Strategy: Strengthen the corrections system's contribution to public safety

The Department is continuously seeking to improve the way in which offenders are managed to ensure that they are kept safe and secure and that the consequent risk to the public is minimised. Particular emphasis will be given to improving the integrity of existing systems, making use of new technology and processes, and minimising factors like drugs in prisons that can undermine security.

■ KEY INITIATIVES FOR 2004/05

- Implement year one of the Department's 2005-2008 strategy to reduce drug and alcohol use in New Zealand prisons, specifically including increasing the number of drug dogs and other initiatives arising from the strategy subject to funding.
- Implement improved information sharing between agencies following enactment of the new corrections legislation if and when passed.

Strategy: Implement legislative reforms

The Department provides support for the development of new legislation with the potential to impact on the corrections system. The Department is also responsible for ensuring that all legislation, once passed, is implemented as intended.

■ KEY INITIATIVES FOR 2004/05

- Continue to provide support as required for enactment of new corrections legislation and begin implementation if and when passed.
- Integrate the Auckland Central Remand Prison into the Public Prisons Service following the enactment of the new corrections legislation if and when passed.
- Implement the extended supervision regime for serious child sex offenders as required by the Parole (Extended Supervision) and Sentencing Amendment Act.

Strategy: Improve the general health of inmates

Health issues, especially drug and alcohol dependency, have a direct impact upon offending behaviours. By taking steps to improve the health of inmates the Department not only provides a safe and humane environment for their containment but also contributes to reducing re-offending.

■ KEY INITIATIVE FOR 2004/05

- Continue implementation of the funded aspects of the Department's health review.

THEME 2 – IMPROVING RESPONSIVENESS TO MĀORI

Strategy: Include and engage Māori whanau and hapu

The success of the Department's efforts in working with Māori offenders can be enhanced by enabling effective whanau involvement in sentence management and reintegrative processes for those offenders.

■ **KEY INITIATIVE FOR 2004/05**

- Continue to implement the Whanau Involvement Plan.

Strategy: Integrate Māori world views into programmes and services

Māori cultural values, philosophies and practices must be considered when the Department is developing effective programmes and services for Māori offenders.

■ **KEY INITIATIVE FOR 2004/05**

- Implement year one of the women's Tikanga Māori programme in the Public Prisons Service.

Strategy: Build the responsiveness of the Department

A capable and responsive workforce assists the Department's effectiveness in implementing Māori initiatives and managing relationships with Māori communities.

■ **KEY INITIATIVE FOR 2004/05**

- Revise recruitment methodology to better enhance the Department's ability to attract and recruit Māori staff and managers.

THEME 3 – CONTRIBUTING TO REDUCING RE-OFFENDING

Strategy: Increase the effectiveness of initiatives to reduce re-offending

The Department has invested significantly in best practice approaches towards the successful rehabilitation and reintegration of offenders in recent years. Evaluation and continuous improvement of these approaches is critical to ensuring ongoing effectiveness in reducing re-offending.

■ **KEY INITIATIVE FOR 2004/05**

- Implement new reintegrative initiatives arising from Budget business cases, as agreed with the Minister of Corrections.

Strategy: Reduce the incidence of violent re-offending

Significant growth in inmate numbers in the 1980s and 1990s has been caused mainly by an increase in the number and severity of violent crimes. Addressing the causes of violent offending would create fewer victims and produce significant savings in the costs of imprisonment and other justice sector costs.

■ **KEY INITIATIVE FOR 2004/05**

- Continue to contribute to the national roll-out of the inter-departmental Circuit Breaker project on family violence.

Strategy: Improve outcomes for Pacific peoples

Around 11 percent of the prison population is Pacific peoples. Compared with other groups, Pacific offenders have a higher rate of conviction and commit more serious and violent offences. However, they have lower rates of re-offending. The Department has developed *The Pacific Strategy* with specific areas of intervention for this offender group.

■ KEY INITIATIVES FOR 2004/05

- Develop the requirements for a Pacific Peoples' Unit in the South Auckland Men's Corrections Facility.
- Continue to progress the initiatives outlined in the Pacific Strategy including:
 - implement the Pacific Violence Prevention Programme
 - develop mechanisms to evaluate effective programmes for Pacific offenders
 - undertake research into the specific issues and needs of New Zealand-born Pacific offenders.

Strategy: Return young offenders to a positive role in society

Young offenders have a significantly high re-offending rate and early intervention may prevent young offenders from proceeding to a lifetime of further offending. Over recent years, the Department has introduced initiatives, such as youth units and the Reducing Youth Offending Programme, which are specifically aimed at preventing young offenders from continuing on a path to adult crime.

■ KEY INITIATIVE FOR 2004/05

- Complete, in conjunction with Child, Youth and Family, Year 3 of the Reducing Youth Offending Programme pilot and continue evaluation.

THEME 4 – ENHANCING CAPABILITY AND CAPACITY

Strategy: Develop the capability and capacity of staff and managers

In order to achieve its strategic direction the Department needs to have the right human resources capability. To ensure this, the Department will build manager capability through selection, development and support initiatives; increase employee capability; and focus on recruitment, retention and succession issues.

■ KEY INITIATIVE FOR 2004/05

- Implement initiatives outlined in the management development strategy including manager assessment, training and succession planning.

Strategy: Provide an increasingly safe and healthy work environment

A safe and healthy work environment involves full adherence to Occupational Safety and Health (OSH) and Accident Compensation Corporation (ACC) standards. This, in turn, requires good compliance processes, the provision of appropriate training, and a performance management system that targets and rewards safe and healthy work practices.

■ KEY INITIATIVE FOR 2004/05

- Develop and begin implementation of the National Health and Safety Strategic Plan for 2005-2008.

Strategy: Provide facilities to meet projected demand

The Department needs to ensure that it has sufficient facilities in place to address the projected increase in the number and geographic distribution of inmates. This not only involves building more prisons, but also ensuring that it has sufficient, trained staff and support systems in place.

■ KEY INITIATIVES FOR 2004/05

Continue the implementation of the Government's regional prisons policy, which includes:

- complete the construction of and commission the Northland Region Corrections Facility
- complete the planning approval process and begin required earthworks at the South Auckland Men's Corrections Facility
- complete the planning process, including the review of any High Court designation appeals, and begin construction of the Auckland Region Women's Corrections Facility
- progress any appeals through the Environment Court and/or commence construction of the Otago Region Men's Corrections Facility.

Strategy: Maintain existing facilities as appropriate

The Department has fixed assets worth approximately \$850 million, with the majority of these being prison facilities. The Department's maintenance programme outlines the work required to ensure that these facilities remain safe and secure.

■ KEY INITIATIVE FOR 2004/05

- Complete implementation of business continuity planning.

MEASURING OUTCOMES

THE DEPARTMENT'S SUCCESS WILL BE DETERMINED BY THE EXTENT TO WHICH THE DEPARTMENTAL OUTCOMES OF PROTECTING THE PUBLIC AND REDUCING RE-OFFENDING ARE ACHIEVED, WHICH IN TURN CONTRIBUTE TO THE JUSTICE SECTOR END OUTCOME OF SAFER COMMUNITIES AND, THROUGH THIS, TO THE GOVERNMENT'S KEY GOALS.

To demonstrate this, processes must be in place to measure achievement. Progress made towards achieving objectives and outcomes outlined in this *Statement of Intent* will be reported in the Department's 2004/05 *Annual Report*. The *Annual Report* will detail the work the Department has done with respect to initiatives associated with the four themes, and the priority areas within those themes. It also reports on the performance measures associated with the output classes.

Measurement of progress can be intrinsically difficult, because some outcomes are often influenced by factors beyond an individual agency's control. The Department has, however, developed a set of measures, based on data collected through its offender management processes and similar information obtained from corrections agencies in other countries, which enable comparisons to be made. These measures provide a good starting point for assessing the Department's performance and will be enhanced over time in conjunction with other justice sector agencies.

As outlined, the Department has developed four themes that will guide its work over the next five years. These themes are interdependent, in particular, the initiatives to be undertaken to ensure effective offender management

(theme 1) will have an impact on the initiatives that contribute to reducing re-offending (theme 3).

The Department will also monitor the application of specific offender management processes to ensure they are properly and consistently applied. Individual processes will also be reviewed periodically to ensure that they remain effective, and, where necessary, they will be amended. This activity is intended to support a process of continuous improvement while ensuring the integrity of the information used by the Department for assessing its contribution to outcomes.

PROTECTING THE PUBLIC

The Department's secondary outcome of protecting the public will primarily be attained by the strategies and initiatives outlined in theme 1. Progress towards the achievement of the outcome will be measured through analysis of data collected across a range of quality and effectiveness measures designed to ensure offenders are being managed in a safe, secure and humane manner. These include:

- ensuring compliance with, and the administration of, sentences and orders
- the number of escapes that occur from prisons and while under escort or supervision
- the number and severity of

incidents, including deaths in custody.

REDUCING RE-OFFENDING

Progress towards the achievement of the Department's other secondary outcome of reducing re-offending is assessed through the use of two measures, the Recidivism Index (RI) and the Rehabilitation Quotient (RQ). The RI measures the Department's performance in reducing re-offending as a whole, whereas the RQ measures the reducing re-offending capacity of a specific intervention.

RECIDIVISM INDEX

The RI measures the rate of proven re-offending of a specified group of offenders over a 12- and 24-month follow-up period, following release from a custodial sentence or the beginning of a community-based sentence. The RI method is based on internationally used definitions of re-offending applied to sentences and orders administered by the Department.

Proven re-offending is defined as 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 in general. However, because the majority of

convictions do not lead to imprisonment, reconviction to any sentence administered by the Department is also measured.

REHABILITATION QUOTIENT

The RQ evaluates the effectiveness of rehabilitative and other interventions (programmes or services) in reducing re-offending. It involves a comparison between a group receiving an intervention (treatment group) and a group that has a similar risk of re-offending but does not receive that intervention (control group).

RQ re-imprisonment is the reduction in re-imprisonment rate for a treatment group following an intervention. RQ re-imprisonment is measured by comparing the difference between the RI for the treatment group and the RI for the control group.

An integrated approach to offender management has meant that rehabilitative and reintegrative interventions can be better targeted. It is assumed that if the

interventions address offending-related needs, re-offending will reduce. The RQ will show these benefits.

OTHER LINKAGES

The measures described for theme 1, ensuring effective offender management, and theme 3, contributing to reducing re-offending, also provide information for theme 2, improving responsiveness to Māori, because the data can be analysed by ethnicity. Theme 4 encompasses strategies and initiatives to enhance overall capability and capacity. These include targets for developing the capability of staff and managers and enhancing responsiveness to diversity.

The Department has measures to monitor progress in these areas and will be developing them further. Other targets include the processes in place to develop new prisons, the programme for facilities maintenance and continuous improvement of systems.

INTERNATIONAL BENCHMARKS

The Department has developed close working relationships with some overseas jurisdictions, and information is exchanged with Australia, Canada, England and Wales, and Scotland. This information has been used to develop benchmarks comparing performance across a range of indicators, including staff-to-inmate ratios, costs of securing inmates and occupancy statistics. This data is important because the Department is not able to effectively compare performance against other New Zealand organisations.

Benchmarking also supports strategic advancement because it provides a means by which quality improvement can be identified and effected. Work will continue on developing new measures and refining existing measures to ensure comparability. Current benchmarking data is published each year in the Department's *Annual Report*.

THE LINKAGES BETWEEN CORRECTIONS' THEMES, OUTPUTS AND OUTCOMES ARE SET OUT IN THE DIAGRAM ON THE FOLLOWING TWO PAGES.

OUTCOME: SAFER

OUTPUT

P PROTECTING THE PUBLIC

- Providing a safe environment for staff and the public
- Managing offenders in a safe, secure and humane manner
- Ensuring appropriate compliance with, and administration of, sentences and orders
- Providing information to the judiciary to inform the sentencing process and release conditions
- Supporting reparation to the community

MEASURING EFFECTIVENESS

Output quantity, quality, timeliness and cost
International benchmarks

THEMES

Ensuring effective offender management
Improving responsiveness to Māori
Enhancing capability and capacity

P 1: INFORMATION SERVICES

Sentencing information and advice to courts
Parole information and advice to the New Zealand Parole Board
Home leave reports

P 2: COMMUNITY-BASED SENTENCES AND ORDERS

Supervision
Community work
Home detention orders
Parole orders

P 3: CUSTODY OF REMAND INMATES

Custody of remand inmates

P 4: ESCORTS AND CUSTODIAL SUPERVISION

Escort services
Courtroom custodial supervision services

P 5: CUSTODIAL SERVICES

Men - maximum security
- medium security
- minimum security

6: INMATE EMPLOYMENT

Land-based activities
Manufacturing activities
Internal service self-sufficiency activities

7: REHABILITATIVE PROGRAMMES AND REINTEGRATIVE SERVICES

Responsivity/motivational programmes
Criminogenic programmes
Other rehabilitative programmes and activities
Education and training
Reintegrative services

P 8: SERVICES TO THE NEW ZEALAND PAROLE BOARD

Administrative, financial and secretariat services to the New Zealand Parole Board

P 9: POLICY ADVICE AND DEVELOPMENT

Policy advice and development services
Ministerial servicing
Psychological and other research

P 10: SERVICE PURCHASE AND MONITORING

Purchase and monitoring of service delivery
Inspectorate services
National systems services

COMMUNITIES

CLASSES

Home detention assessments to the New Zealand Parole Board
Psychological Service information and advice to courts and the New Zealand Parole Board

Post-release orders
Conditions
Extended supervision orders

Women
Male youth
Drug reduction

Release to work
Vocational training services
Community services

Community residential centres and Reducing Youth Offending Programme
Psychological services
Chaplaincy services

REDUCING RE-OFFENDING



Providing targeted rehabilitative and reintegrative initiatives to change offending behaviour by:

- a risk and needs assessment for offenders to determine how best to address offending behaviour
- programmes to encourage offenders to address their offending behaviour and their offence-related needs
- education, training and work experience for offenders
- assistance with accessing community services so that offenders can positively participate in, and be successfully integrated back into, society.



MEASURING EFFECTIVENESS

Output quantity, quality, timeliness and cost

International benchmarks

Recidivism index

Rehabilitation quotient



THEMES

Ensuring effective offender management

Improving responsiveness to Māori

Contributing to reducing re-offending

Enhancing capability and capacity



PART 2

FORECAST FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE

PART 2 – FORECAST FINANCIAL STATEMENTS AND STATEMENT OF SERVICE PERFORMANCE

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STATEMENT OF RESPONSIBILITY

The forecast financial statements of the Department of Corrections presented in this report for the year ending 30 June 2005 have been prepared in accordance with section 34A of the Public Finance Act 1989.

In terms of this provision, I am responsible for the preparation and contents of this report. I accept responsibility for the integrity of the statements, including the forecast financial statements, contained in this report.

The forecast statement of objectives for output performance and the service performance objectives for output performance, the statement of objectives for financial performance and the forecast financial statements, are as agreed with the Minister of Corrections as Minister responsible for the Department of Corrections.

I certify that this information is consistent with the appropriations contained in the Estimates of Appropriations for 2004/05, which are being laid before the House of Representatives under section 9 of the Public Finance Act 1989.



Signed

Mark Byers

Chief Executive

26 April 2004



Countersigned

Richard Morris

Chief Financial Officer

26 April 2004

FINANCIAL SUMMARY

FINANCIAL HIGHLIGHTS

The following financial highlights for the Department of Corrections present a forecast of performance for the year ending 30 June 2005.

In 2004/05 the Department of Corrections expects to earn income of:

- \$510.103 million in revenue from the Crown
- \$26.406 million in revenue from other sources.

Expenses of \$536.509 million are expected in purchasing services that will be supplied and administered under the 10 departmental output classes. The distribution of this expenditure is intended as follows:

- \$27.284 million (5.09 percent of the Vote) on psychological reports, remand pre-sentence reports, reparation reports, same-day reports, home detention reports and agreements, oral information reports and home leave and pre-release reports for prisons;
- \$61.750 million (11.50 percent of the Vote) on management and delivery of community-based sentences and orders through sentence management and sentence compliance services;
- \$50.844 million (9.48 percent of the Vote) on custodial remand services and provision of facilities to hold people charged with offences, and offenders convicted but not yet sentenced;

- \$6.326 million (1.18 percent of the Vote) on the transportation of inmates to and from court and their custody while at court;
- \$291.728 million (54.38 percent of the Vote) on custodial services, the provision of facilities, and administering sentences of imprisonment;
- \$34.901 million (6.51 percent of the Vote) on inmate employment, including the provision and administration of constructive activity and training opportunities designed to help address the underlying causes of criminal re-offending;
- \$49.419 million (9.21 percent of the Vote) on prison and community-based rehabilitative and reintegrative programmes, which incorporate psychological services designed to address the underlying causes of criminal re-offending, and on the administration of support services for inmates serving custodial sentences;
- \$5.870 million (1.09 percent of the Vote) on services to the New Zealand Parole Board relating to the provision of administrative, financial and secretariat services;
- \$4.468 million (0.83 percent of the Vote) on 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;

- \$3.919 million (0.73 percent of the Vote) on contract management, national systems, inspectorate services and custodial assurance.

The Department will also receive a capital contribution of \$138.683 million to construct corrections facilities at Otago, Auckland and Northland, and for deferred maintenance and prison security.

More details of how each of the output classes will be spent are given in tables contained in pages 57 to 96.

The Department of Corrections manages a government investment (through taxpayers' funds) of \$815.172 million and expects a negative net cash flow from operations and investment of \$158.720 million.

The financial information in pages 41 to 55 consists of forecasts. The actual results achieved for the periods covered are likely to vary from the information presented, and the variations may be material.

FINANCIAL HIGHLIGHTS

FOR THE FINANCIAL YEARS ENDING 30 JUNE 2004 AND 30 JUNE 2005

	2003/04 Budget \$000	2003/04 Estimated Actual \$000	2004/05 Forecast \$000
Revenue: Crown	439,860	462,142	510,103
Revenue: Department	1,496	1,752	2,908
Revenue: Other	23,498	26,998	23,498
Output expenses	464,854	492,569	536,509
Net surplus/(deficit)	-	(4,177)	-
Taxpayers' funds	713,556	676,489	815,172
Net cash flows from operating and investing activities	(107,075)	(81,265)	(158,720)

FORECAST STATEMENT OF FINANCIAL PERFORMANCE

FOR THE FINANCIAL YEARS ENDING 30 JUNE 2004 AND 30 JUNE 2005

	2003/04 Budget \$000	2003/04 Estimated Actual \$000	2004/05 Forecast \$000
REVENUE:			
Crown	439,860	462,142	510,103
Department	1,496	1,752	2,908
Other	23,498	26,998	23,498
Total Revenue	464,854	490,892	536,509
OUTPUT EXPENSES:			
Personnel	225,872	242,040	260,788
Operating	135,974	152,132	163,546
Depreciation	46,500	46,500	52,509
Loss arising from revaluation of land and buildings	-	-	-
Other output expenses	-	-	-
Capital charge	56,508	51,897	59,666
Total output expenses	464,854	492,569	536,509
Surplus/(deficit) from operations	-	(1,677)	-
Profit/(loss) on sale of physical assets	-	-	-
Other (non-output) expenses	-	(2,500)	-
Net surplus/(deficit)	-	(4,177)	-

FORECAST STATEMENT OF MOVEMENT IN TAXPAYERS' FUNDS
FOR THE FINANCIAL YEARS ENDING 30 JUNE 2004 AND 30 JUNE 2005

	30 June 2004 Estimated Actual \$000	30 June 2005 Forecast \$000
TAXPAYERS' FUNDS BROUGHT FORWARD AS AT 1 JULY	610,557	676,489
Movements during the year (other than flows to and from the Crown)		
Add/(deduct) net surplus/(deficit)	(4,177)	-
Increase/(decrease) valuation reserves	-	-
Other	-	-
Total recognised revenues and expenses for the period	(4,177)	-
Adjustment for flows to and from the Crown		
Add capital contributions from the Crown during the period	69,761	138,683
(Deduct) distributions to the Crown during the period	-	-
Provision for payment of surplus to the Crown	-	-
Other	-	-
Add/(deduct)		
Asset/liability transfers between the Department and the Crown	348	-
Total adjustments for flow to and from the Crown	70,109	138,683
Taxpayers' funds at end of period	676,489	815,172

FORECAST STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003, 30 JUNE 2004 AND 30 JUNE 2005

	30 June 2003 Actual \$000	30 June 2004 Estimated Actual \$000	30 June 2005 Forecast \$000
ASSETS			
Current assets			
Cash and bank balances	64,369	51,719	31,682
Prepayments	897	850	850
Accounts receivable	4,306	4,300	4,300
Inventories	4,143	4,100	4,100
Debtor Crown	-	-	-
Total current assets	73,715	60,969	40,932
Non-current assets			
Livestock	6,526	6,526	6,526
Investments	5,377	5,748	5,748
Physical assets	604,112	687,323	846,043
Total non-current assets	616,015	699,597	858,317
Total assets	689,730	760,566	899,249
LIABILITIES			
Current liabilities			
Accounts payable	42,971	43,400	43,400
Capital charge payable	-	-	-
Provision for repayment of surplus	1,146	-	-
Provision for employee entitlements	26,220	28,000	28,000
Other current liabilities	-	-	-
Total current liabilities	70,337	71,400	71,400
Term liabilities			
Provision for employee entitlements	8,836	12,677	12,677
Other term liabilities	-	-	-
Total term liabilities	8,836	12,677	12,677
Total liabilities	79,173	84,077	84,077
TAXPAYERS' FUNDS			
General funds	610,339	676,271	814,954
Revaluation reserves	218	218	218
Total taxpayers' funds	610,557	676,489	815,172
Total liabilities and taxpayers' funds	689,730	760,566	899,249

FORECAST STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEARS ENDING 30 JUNE 2004 AND 30 JUNE 2005

	2003/04 Budget \$000	2003/04 Estimated Actual \$000	2004/05 Forecast \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided from:			
Supply of outputs to:			
Crown	439,860	462,142	510,103
Departments	1,496	1,752	2,908
Other	23,498	27,004	23,498
Cash disbursed to:			
Output expenses	(361,846)	(388,306)	(424,334)
Capital charge	(56,508)	(51,897)	(59,666)
Other expenses	-	-	-
Net cash flows from operating activities	46,500	50,695	52,509
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash provided from:			
Sale of investments	-	(23)	-
Sale of physical assets	1,950	1,801	1,072
Cash disbursed to:			
Purchase of investments	-	-	-
Purchase of physical assets	(155,525)	(133,738)	(212,301)
Net cash flows from investing activities	(153,575)	(131,960)	(211,229)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash provided from:			
Capital contribution from the Crown	97,520	69,761	138,683
Cash disbursed to:			
Payment of surplus to the Crown	-	(1,146)	-
Net cash flows from financing activities	97,520	68,615	138,683
Net increase/(decrease) in cash held	(9,555)	(12,650)	(20,037)
Opening total cash balances at 1 July	37,837	64,369	51,719
Closing cash balances as of 30 June	28,282	51,719	31,682

FORECAST RECONCILIATION OF NET OPERATING CASH FLOWS

FOR THE FINANCIAL YEARS ENDING 30 JUNE 2004 AND 30 JUNE 2005

	2003/04 Budget \$000	2003/04 Estimated Actual \$000	2004/05 Forecast \$000
OPERATING SURPLUS/(DEFICIT)	-	(4,177)	-
Add/(deduct) non-cash items			
Loss arising from the devaluation of land and buildings	-	-	-
Loss on sale of a fixed asset	-	-	-
Depreciation and amortisation	46,500	46,500	52,509
Other non-cash items	-	2,500	-
Add/(deduct) Working Capital movements			
(Increase)/decrease in inventories	-	43	-
(Increase)/decrease in debtors and receivables	-	6	-
(Increase)/decrease in debtor Crown	-	-	-
(Increase)/decrease in prepayments	-	47	-
(Increase)/decrease in creditors and payables	-	155	-
(Increase)/decrease in capital charge payable	-	-	-
(Increase)/decrease in other accrued liabilities	-	-	-
(Increase)/decrease in employee entitlements	-	5,621	-
Other items	-	-	-
Net Working Capital movements	-	5,872	-
Net cash flows from operating activities	46,500	50,695	52,509

FORECAST DETAILS OF FIXED ASSETS

BY CATEGORY AS AT 30 JUNE 2004 AND 30 JUNE 2005

	30 June 2004 Estimated Actual			30 June 2005 Forecast		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
	\$000	\$000	\$000	\$000	\$000	\$000
Land	76,844	-	76,844	77,744	-	77,744
Forests	35,277	-	35,277	35,777	-	35,777
Buildings	565,174	55,219	509,955	669,675	-	669,675
Plant and equipment	31,179	20,134	11,045	33,679	23,134	10,545
Leasehold improvements	8,736	4,942	3,794	8,836	5,542	3,294
Furniture and fittings	7,438	4,767	2,671	7,838	4,967	2,871
Motor vehicles	31,601	17,409	14,192	32,601	19,109	13,492
Computer equipment	75,467	41,922	33,545	81,767	49,122	32,645
Total	831,716	144,393	687,323	947,917	101,874	846,043

STATEMENT OF OBJECTIVES

FORECAST OUTPUT CLASS OPERATING STATEMENTS

The Department of Corrections is committed to providing output classes in 2004/05 that meet the requirements of the Minister of Corrections and other stakeholders in terms of each class’s nature, quantity, quality, timeliness and cost.

Departmental output classes to be delivered by the Department of Corrections for the year ending 30 June 2005, and their associated revenue, expenses and surplus or deficit, are summarised in the table below.

Departmental Output Class	Description	Revenue Crown \$000	Revenue Depts \$000	Revenue Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000
VOTE CORRECTIONS						
Output Class 1: Information Services	Provision of psychological, pre-sentence, reparation, home leave and pre- release reports to courts and the New Zealand Parole Board	27,284	-	-	27,284	-
Output Class 2: Community- based Sentences and Orders	Management and delivery of community-based sentences and orders through case management and sentence compliance services	61,750	-	-	61,750	-
Output Class 3: Custody of Remand Inmates	Provision of facilities to hold people charged with offences, and people convicted for offences, but not yet sentenced	50,844	-	-	50,844	-
Output Class 4: Escorts and Custodial Supervision	Transportation of inmates and their custody while at court	6,326	-	-	6,326	-
Output Class 5: Custodial Services	Provision of facilities and administering sentences of imprisonment	290,316	1,412	-	291,728	-
Output Class 6: Inmate Employment	Provision and administration of employment and related training activities	11,403	-	23,498	34,901	-
Output Class 7: Rehabilitative Programmes and Reintegrative Services	Provision of prison and community-based rehabilitative and reintegrative programmes	47,923	1,496	-	49,419	-

FORECAST OUTPUT CLASS OPERATING STATEMENTS (continued)

Departmental Output Class	Description	Revenue Crown \$000	Revenue Depts \$000	Revenue Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000
Output Class 8: Services to the New Zealand Parole Board	Provision of administrative, financial and secretariat services	5,870	-	-	5,870	-
Output Class 9: Policy Advice and Development	Development of policies and Ministerial servicing	4,468	-	-	4,468	-
Output Class 10: Service Purchase and Monitoring	Contract management, national systems inspectorate services and custodial assurance	3,919	-	-	3,919	-

SUPPORTING STATEMENTS

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDING 30 JUNE 2005

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).

REPORTING PERIOD

The reporting period covers the 12 months from 1 July 2004 to 30 June 2005. Comparative projected figures for the year ended 30 June 2004 are provided.

MEASUREMENT SYSTEM

These 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.

REVENUE

The Department derives revenue through the provision of outputs to the Crown and from the sale of goods and services to third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

COST ALLOCATION

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.

DEBTORS AND RECEIVABLES

Receivables are recorded at estimated realisable value, after providing for doubtful and uncollectable debts.

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. Operating lease expenses are recognised on a systematic basis over the period of the lease.

PROPERTY, PLANT AND EQUIPMENT

Land and buildings are stated at fair value as determined by an independent registered valuer. Fair value is determined using market-based evidence, except for prison buildings which are valued at optimised depreciated replacement cost. Land and buildings are revalued at least every three years. Additions between revaluations are recorded at cost.

The three-year cycle is subject to a reasonableness test on an annual basis to ensure it does not result in material differences in fair value.

The results of revaluing land and buildings are credited or debited to the asset revaluation reserve. Where a revaluation results in a debit balance in the revaluation reserve, the debit balance will be expensed in the Statement of Financial Performance.

Land and buildings were last revalued as at 30 June 2002.

All other fixed assets, or groups of assets forming part of a network which are material in aggregate, costing more than \$3,000 are capitalised and recorded at cost. Any write-down of an item to its recoverable amount is recognised in the Statement of Financial Performance.

FORESTS

The tree crop is valued annually 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 Agriculture and Forestry.

The result of revaluing forestry is credited or debited to an asset revaluation reserve for that class of asset. Where a revaluation results in a debit balance in the revaluation reserve, the debit balance will be expensed in the Statement of Financial Performance.

DEPRECIATION

Depreciation is provided on a straight-line basis on all fixed assets, other than freehold land, forestry and items under construction, 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 economic useful lives and associated depreciation rates of classes of assets have been estimated as follows:

Buildings – structure	50 years	(2%)
Buildings – fit-outs	3 to 20 years	(5% to 33.3%)
Hut complexes	25 years	(4%)
Hut fit-outs	3 to 20 years	(5% to 33.3%)
Leasehold improvements	10 years	(10%)
Plant and machinery	10 years	(10%)
Office equipment	5 years	(20%)
Tools and equipment	5 years	(20%)
Furniture and fittings – office	5 years	(20%)
Furniture and fittings – inmate	3 years	(33.3%)
Information technology – network	5 years	(20%)
Information technology – specialised	3 to 10 years	(10% to 33.3%)
Information technology – PC based	3 years	(33.3%)
Motor vehicles – heavy duty	8 years	(12.5%)
Motor vehicles – other	5 years	(20%)

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 items under construction, 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 is measured at nominal values on an actual entitlement basis at current rates of pay.

Entitlements that are payable beyond 12 months, such as long service leave and retirement 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 and held in bank accounts.

Operating activities include cash received from all income sources of the Department and record 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 annually using Inland Revenue's national average market value. 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.

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 that 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.

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.

Except for those items covered by a separate accounting policy all financial instruments are shown at their estimated fair value.

GOODS AND SERVICES TAX (GST)

The Statement of Financial Position is exclusive of GST except for Creditors and Payables and Debtors and Receivables, which are GST inclusive. All other statements are GST exclusive.

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 1994. Accordingly, no charge for income tax has been provided for.

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 the previous year.

GST STATUS OF DEPARTMENTAL OUTPUT CLASSES

The forecast financial statements in this report present expenses (and revenue) exclusive of GST, in accordance with generally accepted accounting practice. When appropriated by Parliament, these expenses are inclusive of GST, in accordance with legislation.

- The GST-exclusive amounts for each departmental output class correspond to “total expenses” for 2004/05 appearing in the Forecast Output Operating Statements in this report. The aggregate amount for all 10 output classes corresponds to “total output expenses” for 2004/05 in the Forecast Statement of Financial Performance.
- The GST-inclusive amounts for each departmental output class correspond to the annual appropriations (in bold) for 2004/05 appearing in Part B1 of *Estimates of Appropriations: Vote Corrections*.

This information is summarised in the table below.

SUMMARY OF THE DEPARTMENTAL OUTPUT CLASSES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2005

GST STATUS OF DEPARTMENTAL OUTPUT CLASSES

Departmental Output Classes	GST-exclusive (S01) \$000	GST \$000	GST-inclusive (vote) \$000
Information Services	27,284	3,410	30,694
Community-based Sentences and Orders	61,750	7,718	69,468
Custody of Remand Inmates	50,844	6,355	57,199
Escorts and Custodial Supervision	6,326	790	7,116
Custodial Services	291,728	36,467	328,195
Inmate Employment	34,901	4,362	39,263
Rehabilitative Programmes and Reintegrative Services	49,419	6,178	55,597
Services to the New Zealand Parole Board	5,870	734	6,604
Policy Advice and Development	4,468	559	5,027
Service Purchase and Monitoring	3,919	490	4,409
Total Departmental Output Classes	536,509	67,063	603,572

SERVICE PERFORMANCE OBJECTIVES

– OUTPUT PERFORMANCE

FOR THE YEAR ENDING 30 JUNE 2005

OUTPUT CLASS 1

INFORMATION SERVICES

This output class covers the provision of information as requested by the courts and the New Zealand Parole Board to inform their respective decision-making processes. It includes the provision of psychological reports, remand pre-sentence reports (level 2 assessment reports), reparation reports, same-day reports (level 1 assessment reports), home detention reports and assessments, oral information reports and home leave and pre-release reports for inmates. Special purpose reports and advice are prepared for other relevant entities. Also included is the time Probation Officers spend attending court hearings.

OUTPUT 1.1 SENTENCING INFORMATION AND ADVICE TO COURTS



This output entails the preparation of reports (relating to remand pre-sentence [level 2], reparation including emotional harm, same-day [level 1], special purpose reports and oral information) that provide the sentencing judge with information on offenders, to assist with the sentencing process. Also included is the time a Probation Officer spends attending court. This service includes attendance at court, prosecutions, and attendance at sentencing resulting from Community Probation Service-initiated proceedings.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of reports to courts ³ :	29,000	27,700-31,700 ⁴
The number of hours for attendance at courts:	56,500	54,000-59,400 ⁴
Quality		
The percentage of reports provided to the standards contained in the relevant service descriptions and Probation and Offender Services Manual to be no less than:		
• written reports in a specified format	95%	95%
• verification process specified/rationale for no verification		
• concise, logical and grammatically correct		
• clear statement of recommendation consistent with the law.		
The number of written complaints from judges to be no more than:	15	15
Timeliness		
The percentage of reports to courts provided to a timetable set through service level agreements to be no less than:	98%	98%

³ Reports include pre-sentence (level 1 and level 2), reparation, and oral information reports.
⁴ Revised budget projections as amended through 2003/04 Supplementary Estimates (Supp Ests).

P

OUTPUT 1.2 PAROLE INFORMATION AND ADVICE TO THE NEW ZEALAND PAROLE BOARD

This output entails the preparation of pre-release reports that provide information to the New Zealand Parole Board about an inmate’s proposed residence and work, and the potential programmes that the inmate should undertake on release from prison. Included is the time spent investigating release options and reporting on those and appropriate conditions.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of New Zealand Parole Board pre-release reports prepared for inmates:	4,400	4,400
Quality		
The percentage of New Zealand Parole Board pre-release reports provided to the standards contained in the relevant service descriptions, Public Prisons Service Manual and Public Prisons Service Sentence Management Manual to be no less than:	100%	100%
<ul style="list-style-type: none">the reports are clear and concise, identifying major points to enable the Board to make a decision on the inmate’s releasethe 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 requiredeach inmate is involved in the development of his or her report		
Timeliness		
The percentage of New Zealand Parole Board pre-release reports provided within the deadlines set by the Board to be:	100%	100%

OUTPUT 1.3 HOME LEAVE REPORTS



This output entails the provision of home leave reports, including investigating the suitability of the sponsor and residence. The Public Prisons Service has the delegated authority to consider and approve home leave proposals. Community reaction to the planned home leave and the suitability of the proposed accommodation by an inmate is also assessed.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of home leave reports:	900	660-860 ⁵
Quality		
The percentage of home leave reports provided to the standards contained in the relevant service descriptions and Probation and Offender Services Manual to be no less than:	98%	98%
• reports completed and all questions addressed		
• concise, logical and grammatically correct.		
Timeliness		
The percentage of home leave reports provided within two weeks of request to be no less than:	98%	98%

OUTPUT 1.4 HOME DETENTION ASSESSMENTS TO THE NEW ZEALAND PAROLE BOARD



This output entails the preparation of reports and assessments to the New Zealand Parole Board. The reports are to meet the application criteria including an assessment of the rehabilitative needs of the offender and his or her suitability to serve their sentence under home detention.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of home detention specialist reports:	4,200	3,900-4,500 ⁵
Quality		
The percentage of home detention specialist reports provided to the standards contained in the relevant service descriptions and Probation and Offender Services Manual to be no less than:	98%	98%
• written reports in a specified format		
• verification process specified/rationale for no verification		
• concise, logical and grammatically correct		
• statement of recommendations consistent with the law.		
Timeliness		
The percentage of home detention specialist reports provided within two weeks of request to be no less than:	98%	98%

⁵ Revised budget projections as amended through 2003/04 Supplementary Estimates.

P OUTPUT 1.5 PSYCHOLOGICAL SERVICE INFORMATION AND ADVICE TO COURTS AND THE NEW ZEALAND PAROLE BOARD

This output entails the preparation of reports that provide the sentencing judge with information on offenders and also entails the assessment, analysis and reporting on offenders who are to appear before the New Zealand Parole Board.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of New Zealand Parole Board reports:	600	570-630
The number of reports to courts:	156 ^a	100
Quality		
The percentage of New Zealand Parole Board reports provided to the standards contained in service descriptions and the Psychological Service Manual to be no less than:	98%	98%
The percentage of reports to courts provided to the standards contained in the service descriptions and Psychological Service Manual to be no less than:	98%	98%
<ul style="list-style-type: none">• written reports in a specified format• concise, logical and grammatically correct• source and reason for referral are clearly stated• all relevant and appropriate information included• sources of information well documented and verified• clear statement of recommendations for further investigation• complies with the Code of Ethics of the NZ Psychological Society 1986		
Timeliness		
The percentage of New Zealand Parole Board reports provided within deadlines set by the Board to be:	100%	100%
The percentage of reports to courts provided to a timetable set through service level agreements to be:	100%	100%

COSTS FOR OUTPUT CLASS 1 INFORMATION SERVICES

FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$30.694 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 S01	30,694	27,284	27,284	27,284	-
2003/04 Supp Ests	29,846	26,535	26,483	26,483	-
2003/04 S01	28,594	25,417	25,417	25,417	-

^a Includes assessments in support of applications to courts for Extended Supervision Orders for the management of high-risk child sex offenders in the community.

OUTPUT CLASS 2

COMMUNITY-BASED SENTENCES AND ORDERS

This output class provides for the management and delivery of community-based sentences and orders through sentence management and sentence compliance services. Included as part of these are the sentences of supervision and community work and orders such as home detention, parole, post-release conditions and extended supervision.

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

It provides for an estimated throughput of 41,386 new sentences and orders.

OUTCOME

The following outcome measures will be used to determine the effectiveness of the Department's initiatives in this output class to reduce re-offending with the percentage of offenders:

- not re-imprisoned within 12 months of their release from prison
- not re-imprisoned within 24 months of their release from prison
- conviction-free 12 months after the completion of their sentence/order
- conviction-free 24 months after the completion of their sentence/order.

Progress towards the achievement of these outcomes will be reported on in the Department's 2004/05 Annual Report. This also relates to Output Class 5 and Output Class 7.

OUTPUT 2.1 SUPERVISION

P

This output ensures that offenders sentenced to supervision report regularly to their Probation Officer and, if ordered by the court, fulfil special conditions that will address the reasons for their offending. Supervision may include in-depth, focused interventions such as rehabilitation or reintegration programmes or counselling.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of supervision sentences:	5,100	4,500-5,500 ⁷
Quality		
The percentage of offenders who comply with the special conditions imposed as part of their sentence to be no less than:	68%	68%

⁷ Revised budget projections as amended through 2003/04 Supplementary Estimates.

P OUTPUT 2.2 COMMUNITY WORK

This output ensures that an offender sentenced to community work completes the sentenced number of hours work within the community. It provides for reparation to the community. The type of community work that can be performed is specified in the Sentencing Act 2002.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of community work sentences:	29,000	28,600-30,600 ⁸
Quality		
The percentage of offenders who successfully complete a community work sentence to be no less than:	70%	70%

P OUTPUT 2.3 HOME DETENTION ORDERS

This output entails the administering of home detention orders imposed by the New Zealand Parole Board. Under the conditions of these orders, the offender resides at home under strict conditions and with strict monitoring of those conditions. Offenders may be required to undertake a rehabilitation or reintegration programme or counselling that addresses their offending.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of offenders directed to complete a home detention order:	2,100	2,100-2,300 ⁸
Quality		
The percentage of offenders on home detention with a sentence plan to address their rehabilitative or employment needs, to be no less than:	98%	98%

⁸ Revised budget projections as amended through 2003/04 Supplementary Estimates.

OUTPUT 2.4 PAROLE ORDERS



This output entails the administering of an order imposed by the New Zealand Parole Board, which is administered by a Probation Officer. It includes a Probation Officer meeting regularly and working closely with an offender subject to a parole order, and ensuring that special conditions imposed by the Board are fulfilled.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inmates directed to complete a parole order:	1,200	850-1,350 ⁹
Quality		
The percentage of offenders who comply with the special conditions imposed as part of their order to be no less than:	65%	65%

OUTPUT 2.5 ORDERS FOR POST-RELEASE CONDITIONS



This output entails administering post-release conditions for inmates with short sentences, as imposed by the judiciary at the time of sentencing, and administered by a Probation Officer.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inmates released on post-release conditions imposed by the court:	3,900	3,300-3,700 ⁹
Quality		
The percentage of offenders who comply with the conditions imposed as part of their order to be no less than:	65%	65%

⁹ Revised budget projections as amended through 2003/04 Supplementary Estimates.

P OUTPUT 2.6 EXTENDED SUPERVISION ORDERS

This output entails the administering of an order imposed by the court, with conditions set by the New Zealand Parole Board to actively manage the long-term risks posed by high-risk child sex offenders in the community. The order can apply for up to 10 years following a finite term of imprisonment and is administered by a Probation Officer.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of offenders commencing an extended supervision order:	86	new standard
The number of offenders subject to an extended supervision order at 30 June	86	new standard
Quality		
The percentage of offenders on extended supervision with a sentence plan prepared and managed to the standards in the relevant service description and the CPS operations manual to be no less than:	100%	new standard

COSTS FOR OUTPUT CLASS 2 COMMUNITY-BASED SENTENCES AND ORDERS
FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$69.468 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	69,468	61,750	61,750	61,750	-
2003/04 Supp Ests	65,940	58,627	58,512	58,512	-
2003/04 SOI	63,041	56,036	56,036	56,036	-

OUTPUT CLASS 3

CUSTODY OF REMAND INMATES

This output class provides for safe, secure and humane services and facilities to hold people charged with offences, and offenders convicted but not yet sentenced, and to enable their appearance before the courts as required.

It provides for an estimated throughput of 10,549 new remand inmates, representing an average prison population of 1,170 remand inmates. This demand is met by approximately 1,288 beds across 16 remand facilities with any overflow accommodated in segregated custodial facilities.

OUTPUT 3.1 CUSTODY OF REMAND INMATES

P

This output entails the management of remand inmates in a custodial environment. It incorporates the costs of accommodation, security, transport, food and medical care, but not the cost of employment or specific reintegrative interventions.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of remand inmates held by the		
• Auckland Central Remand Prison:	257	257
• Public Prisons Service:	913 ¹⁰	686
Quality		
The number of breakouts per annum to be no more than:		
	2	2
The number of all other escapes per annum to be:		
	0	1
The number of breakouts per annum from Auckland Central Remand Prison to be:		
	0	0

COSTS FOR OUTPUT CLASS 3 CUSTODY OF REMAND INMATES FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$57.199 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	57,199	50,844	50,844	50,844	-
2003/04 Supp Ests	51,542	45,869	45,383	45,383	-
2003/04 SOI	51,805	46,048	46,048	46,048	-

¹⁰ The overall number of people on remand has continued to be influenced by the rates of arrests, decisions of the judiciary and other factors such as the introduction of the Bail Act 2000.

OUTPUT CLASS 4

ESCORTS AND CUSTODIAL SUPERVISION

This output class provides for safe, secure and humane services and facilities for transportation of inmates to and from court, and their safe and humane custody while at court.

P OUTPUT 4.1 ESCORT SERVICES

This output entails the safe, secure and humane transportation of remand inmates and sentenced inmates to and from court.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inmates escorted to and from court in		
• Northland/Auckland (including Police escorts) ¹¹ :	27,750	26,487-29,011
• remainder of New Zealand (excluding Police escorts) ¹² :	8,240	7,835-8,648
Quality		
The number of escapes by inmates during escort to and from court to be no more than:	1	1

P OUTPUT 4.2 COURTROOM CUSTODIAL SUPERVISION SERVICES

This output entails the safe, secure and humane custody of remand and sentenced inmates while they are at court.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inmates supervised in courts in		
• Northland/Auckland ¹¹ :	7,800	5,944-6,558
• remainder of New Zealand ¹² :	8,950	8,512-9,388
Quality		
The number of escapes by remand inmates and sentenced inmates while they are held in custody at court to be:	0	0

¹¹ Provided by the Prisoner Escort and Courtroom Custodial Services (PECCS).
¹² Provided by Public Prisons Service.

COSTS FOR OUTPUT CLASS 4 ESCORTS AND CUSTODIAL SUPERVISION
FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$7.116 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	7,116	6,326	6,326	6,326	-
2003/04 Supp Ests	6,792	6,038	6,038	6,038	-
2003/04 SOI	6,611	5,877	5,877	5,877	-

OUTPUT CLASS 5

CUSTODIAL SERVICES

This output class covers the provision of custodial services and the administration of custodial sentences in safe, secure and humane conditions for both male and female inmates classified as maximum, medium and minimum security. Youth under 17 years of age and vulnerable 17- to 19-year-olds will be housed in specialist youth units. Also included are the management of specialist facilities and drug reduction initiatives.

It provides for an estimated throughput of 7,190 new inmates, representing an average prison population of 5,069 inmates. This requires the provision of approximately 6,632 beds and associated facilities at 20 sites to meet security, gender, age and other inmate needs 24 hours a day.

OUTCOME

The following outcome measures will be used to determine the effectiveness of the Department's activities in this output class to reduce re-offending with the percentage of sentenced offenders:

- not re-imprisoned within 12 months of their release from prison
- not re-imprisoned within 24 months of their release from prison
- conviction-free 12 months after the completion of their sentence/order
- conviction-free 24 months after the completion of their sentence/order.

OUTPUT 5.1 MAXIMUM SECURITY MEN



This output provides for the safe, secure and humane confinement of adult male inmates classified as maximum security. It incorporates the costs of accommodation, security, sentence management (including assessment), food and medical care.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of maximum security sentenced inmates:	103	130
Quality		
The percentage of sentenced inmates with inmate management plans prepared and managed to the standards in the relevant service description, Public Prisons Service Policy and Procedures Manual and Public Prisons Service Sentence Management Manual to be:	100%	100%
<ul style="list-style-type: none">• on induction, each inmate is provided verbally and in writing with accurate and timely information on the operation and rules of the institution and the entitlements of inmates. Inmates are informed of their obligations, rights, privileges and their access to services in a way they can understand. The inmate's immediate needs are addressed or referred for prompt action• assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available• the inmate is placed into the appropriate work/programme• the inmate attends the allocated work/programme• all information is recorded and filed on the inmate's file• case management plans are reviewed as per the plan.		
The number of breakouts per annum:	0	0
The number of non-returns from temporary release per annum:	0	0
The number of all other escapes per annum:	0	0

P OUTPUT 5.2 MEDIUM SECURITY MEN

This output provides for the safe, secure and humane confinement of adult male inmates classified as high medium or low medium security. It incorporates the costs of accommodation, security, sentence management (including assessment), food and medical care.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of medium security sentenced inmates:	2,697	2,329
Quality		
The percentage of sentenced inmates with inmate management plans prepared and managed to the standards in the relevant service description, Public Prisons Service Policy and Procedures Manual and Public Prisons Service Sentence Management Manual to be:	100%	100%
<ul style="list-style-type: none">on induction, each inmate is provided verbally and in writing with accurate and timely information on the operation and rules of the institution and the entitlements of inmates. Inmates are informed of their obligations, rights, privileges and their access to services in a way they can understand. The inmate's immediate needs are addressed or referred for prompt actionassessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are availablethe inmate is placed into the appropriate work/programmethe inmate attends the allocated work/programmeall information is recorded and filed on the inmate's filecase management plans are reviewed as per the plan.		
The number of breakouts per annum to be no more than:	3	3
The number of non-returns from temporary release per annum to be no more than:	2	2
The number of all other escapes per annum to be no more than:	8	12

OUTPUT 5.3 MINIMUM SECURITY MEN



This output provides for the safe, secure and humane confinement of adult male inmates classified as minimum security. It incorporates the costs of accommodation, security, sentence management (including assessment), food and medical care.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of minimum security sentenced inmates:	2,200	2,000
Quality		
The percentage of sentenced inmates with inmate management plans prepared and managed to the standards in the relevant service description, Public Prisons Service Policy and Procedures Manual and Public Prisons Service Sentence Management Manual to be:	100%	100%
<ul style="list-style-type: none">• on induction, each inmate is provided verbally and in writing with accurate and timely information on the operation and rules of the institution and the entitlements of inmates. Inmates are informed of their obligations, rights, privileges and their access to services in a way they can understand. The inmate's immediate needs are addressed or referred for prompt action• assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available• the inmate is placed into the appropriate work/programme• the inmate attends the allocated work/programme• all information is recorded and filed on the inmate's file• case management plans are reviewed as per the plan.		
The number of breakouts per annum to be no more than:	1	1
The number of non-returns from temporary release per annum to be no more than:	12	14
The number of all other escapes per annum to be no more than:	8	12

P OUTPUT 5.4 WOMEN

This output provides for the safe, secure and humane confinement of all female sentenced inmates. It incorporates the costs of accommodation, security, sentence management (including assessment), food and medical care.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of maximum security sentenced inmates:	0	1
The average number of medium security sentenced inmates:	77	78
The average number of minimum security sentenced inmates:	193	151
Quality		
The percentage of sentenced inmates with inmate management plans prepared and managed to the standards in the relevant service description, Public Prisons Service Policy and Procedures Manual and Public Prisons Service Sentence Management Manual to be:	100%	100%
• on induction, each inmate is provided verbally and in writing with accurate and timely information on the operation and rules of the institution and the entitlements of inmates. Inmates are informed of their obligations, rights, privileges and their access to services in a way they can understand. The inmate's immediate needs are addressed or referred for prompt action		
• assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available		
• the inmate is placed into the appropriate work/programme		
• the inmate attends the allocated work/programme		
• all information is recorded and filed on the inmate's file		
• case management plans are reviewed as per the plan.		
The number of breakouts per annum to be no more than:	1	1
The number of non-returns from temporary release per annum to be no more than:	1	1
The number of all other escapes per annum to be no more than:	1	1

This output provides for the safe and secure confinement of males under 17 years of age and vulnerable 17- to 19-year-olds, either sentenced (except those classified maximum security) or remanded. It incorporates the costs of accommodation, security, sentence management (including assessment), food and medical care¹³.

	Performance Standard	
	2004/05	2003/04
Quantity		
The average number of male sentenced and remand inmates held in youth units:	134	134
Quality		
The percentage of youth inmates with inmate management plans prepared and managed to the standards in the relevant service description, Public Prisons Service Policy and Procedures Manual and Public Prisons Service Sentence Management Manual to be:	100%	100%
• on induction, each inmate is provided verbally and in writing with accurate and timely information on the operation and rules of the institution and the entitlements of inmates. Inmates are informed of their obligations, rights, privileges and their access to services in a way they can understand. The inmate's immediate needs are addressed or referred for prompt action		
• assessment interviews include prison staff and the inmate and take into account any pre-sentence reports that are available		
• the inmate is placed into the appropriate work/programme		
• the inmate attends the allocated work/programme		
• all information is recorded and filed on the inmate's file		
• case management plans are reviewed as per the plan.		
The number of breakouts per annum from youth units to be:	0	0
The number of all other escapes per annum from youth units to be:	0	0

¹³ Consistent with the United Nations' Convention on the Rights of the Child, the Department will progressively locate all male offenders under the age of 18, as well as vulnerable 18- and 19-year-old male inmates, in specialist youth units as planned dedicated facilities become available (unless such placement is not in an offender's best interests).

P OUTPUT 5.6 DRUG REDUCTION

This output entails the identification of drug users in prisons through the administration of three random testing programmes and other drug screening tests. It includes the costs of checkpoint drug control activities, drug dog services, and other activities undertaken alone or with other agencies.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of general random programme drug screening tests carried out to be no less than:	2,585	2,470-2,700
The number of random drug screening tests carried out on inmates returning from temporary release to be no less than:	387	365-408
The number of random drug screening tests carried out on identified drug users to be no less than:	1,670	1,584-1,750
The number of other drug screening tests carried out to be no less than ¹⁴ :	4,215	3,991-4,442
Quality		
The annual average percentage of general random programme drug screening tests producing a positive result to be no more than:	16%	16%
The annual average percentage of random drug screening tests of inmates returning from temporary release producing a positive result:	to be reported ¹⁵	to be reported
The annual average percentage of random drug screening tests of identified drug users producing a positive result:	to be reported ¹⁵	to be reported

COSTS FOR OUTPUT CLASS 5 CUSTODIAL SERVICES
FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$329.050 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Department (GST exclusive) (\$000)
2004/05 SOI	328,195	291,728	291,728	290,316	1,412
2003/04 Supp Ests	287,941	256,058	255,066	254,810	256
2003/04 SOI	271,609	241,430	241,430	241,430	-

¹⁴ Other drug screening tests are defined as those undertaken on either "reasonable grounds" or on a voluntary basis.
¹⁵ The effectiveness of these two measures showing the average annual percentage of positive tests returned will be reported in both the Department's 2003/04 and 2004/05 Annual Reports. These two measures do not lend themselves to setting of performance standards to be achieved.

OUTPUT CLASS 6

INMATE EMPLOYMENT

Inmate Employment contributes to reducing re-offending by providing inmates and remandees with the opportunity to gain work experience and improve their work habits and skills. Inmates are also provided the opportunity to undertake training towards gaining recognised qualifications and work experience that improve the chances of obtaining sustainable post-release employment, which reduces the likelihood of re-offending.

Over time, Inmate Employment aims to provide all inmates eligible for work with 1,410 hours of employment per year. This year's target is 4.3 million hours. It is expected that 40 percent of inmates who undertake employment will gain an externally recognised qualification.

The table below summarises employment and training opportunities offered, by sector.

Quantity (Hours)	Performance Standard	
	2004/05	2003/04
Land-based activities	671,160	785,000
Manufacturing activities	826,260	1,005,000
Internal service self-sufficiency activities	2,701,647	2,684,637
Release to work	56,400	41,500
Vocational training services	1,125	1,125
Community service	80,000	80,000

Quality (External Qualifications)	Performance Standard	
	2004/05	2003/04
Land-based activities	40%	40%
Manufacturing activities	40%	40%
Internal service self-sufficiency activities	40%	40%
Release to work	100%	100%
Vocational training services	40%	40%
Community services	100%	100%

R

OUTPUT 6.1 LAND-BASED ACTIVITIES

This output relates to the provision of employment hours and qualifications to inmates who work in farming, forestry, horticulture and other land-based activities.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours worked by inmates employed on land-based activities:	671,160	785,000 ¹⁶
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ¹⁶ :	40%	40%

R

OUTPUT 6.2 MANUFACTURING ACTIVITIES

This output relates to the provision of employment hours and qualifications to inmates who work in manufacturing, construction and labour-only services.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours worked by inmates employed on manufacturing activities:	826,260	1,005,000 ¹⁶
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ¹⁷ :	40%	40%

¹⁶ Revised budget projections as amended through 2003/04 Supplementary Estimates.

¹⁷ An externally recognised qualification is a NZQA unit standard, or, where no unit standard exists, one that is a recognised equivalent standard. A recognised equivalent standard is a document that attests that an inmate has passed either all components of a defined course of study, or a module or unit associated with the partial completion of that course of study.

OUTPUT 6.3 INTERNAL SERVICE SELF-SUFFICIENCY ACTIVITIES



This output relates to the provision of employment hours and qualifications to inmates who work in internal self-sufficiency activities including:

- kitchens
- laundry and cleaning
- prison asset maintenance.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours worked by inmates on internal self-sufficiency activities:	2,701,647	2,684,637 ¹⁸
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ¹⁸ :	40%	40%

OUTPUT 6.4 RELEASE TO WORK



This output entails work undertaken by minimum security inmates outside the prison boundaries. These are inmates nearing release who are on release to work.

This output relates to the provision of employment hours completed by inmates participating in the release-to-work programme. This programme allows inmates nearing their release date and who meet certain eligibility criteria to be temporarily released during the day to work.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours worked by inmates on release-to-work activities:	56,400	41,500 ¹⁸
Quality		
The percentage of inmates undertaking release-to-work activities who meet the eligibility criteria ¹⁹	100%	100%

¹⁸ Revised budget projections as amended through 2003/04 Supplementary Estimates.

¹⁹ An externally recognised qualification is a NZQA unit standard, or, where no unit standard exists, one that is a recognised equivalent standard. A recognised equivalent standard is a document that attests that an inmate has passed either all components of a defined course of study, or a module or unit associated with the partial completion of that course of study.

R OUTPUT 6.5 VOCATIONAL TRAINING SERVICES

This output provides training activities to inmates that relate directly to the acquisition of employment-related skills, and includes courses to assist in getting driver licences and computer skills.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inmates who commence training towards the achievement of an externally recognised qualification:	1,125	1,125
Quality		
The percentage of inmates undertaking training activities who receive an externally recognised qualification ²⁰ :	40%	40%

R OUTPUT 6.6 COMMUNITY SERVICES

This output relates to the provision of employment hours by inmates undertaking community services. Inmates nearing their release date and who meet eligibility criteria can work outside of the prison during the day in supervised work parties benefiting local communities.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours worked by inmates on community services:	80,000	80,000
The average number of inmates engaged on community services:	160	160
Quality		
The percentage of inmates who have undertaken community services and have received a work certificate or record of achievement from the Department upon their release, to be no less than:	100%	100%

²⁰ An externally recognised qualification is a NZQA unit standard, or, where no unit standard exists, one that is a recognised equivalent standard. A recognised equivalent standard is a document that attests that an inmate has passed either all components of a defined course of study, or a module or unit associated with the partial completion of that course of study.

COSTS FOR OUTPUT CLASS 6: INMATE EMPLOYMENT
FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$39,263 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 S0I	39,263	34,901	34,901	11,403	23,498
2003/04 Supp Ests	43,007	38,228	38,228	11,230	26,998
2003/04 S0I	38,744	34,439	34,439	10,941	23,498

OUTPUT CLASS 7

REHABILITATIVE PROGRAMMES AND REINTEGRATIVE SERVICES

This output class provides:

- rehabilitative programmes to improve offenders' motivation to address the causes of their criminal offending. These programmes are designed to increase an offender's responsiveness to undertake a specific programme that seeks to address an identified criminogenic need
- rehabilitative programmes to address the causes of criminal offending. There is a suite of nationally defined rehabilitation programmes. Assessment tools determine programme eligibility according to an offender's criminogenic needs, responsiveness and risk of re-offending
- reintegrative services to prepare for an offender's release into the community, including support for families/whānau. Emphasis is placed on the targeted provision of reintegrative services to reinforce and sustain behavioural changes by building up basic skills (for example, budgeting and relationship management) which support reintegration into the community
- specialist psychological services, including counselling of offenders, professional training and supervision in the use of assessment tools, to monitor and support programme delivery.

OUTCOME

The following outcome measures will determine the effectiveness of the Department's initiatives to reduce re-offending. The measures provide information on the percentage of offenders who return to the Department's care and how much of a reduction in re-imprisonment and reconviction has occurred due to the Department's interventions.

The change in the re-imprisonment and reconviction rates for the treatment group receiving an intervention, compared to a matched, untreated group, is measured in two ways. An offender may be:

- re-imprisoned for an offence committed within 12 and 24 months following release from prison
- reconvicted for an offence committed within 12 and 24 months of completion of sentence, and given a sentence administered by the Department.

These outcomes are reported for programmes with sufficient volumes to permit meaningful measurement and relate to the following rehabilitative programmes and reintegrative services:

- sex offender treatment (for this, the outcome relates to 12, 24 and 60 months)
- violence prevention
- substance abuse programmes
- EQUIP (a youth offender programme)
- structured intervention programme
- Making our Drivers Safer (MODS)
- M-PRO (generic programme)
- Māori therapeutic programmes (for drugs and alcohol and violence)
- provision of psychological services.

The utility of the outcome measure is affected by several factors.

- The lead time between an offender receiving an intervention and when that offender could be deemed as not having re-offended is considered.
- A statistically valid sample size can take a long time to achieve when re-offending occurs at a low rate as is the case for child sex offenders.

- The nature of the intervention, if generic, relates more appropriately to the re-imprisonment index. Where a specific intervention occurs, then the focus needs to be on re-imprisonment or reconviction for that specific kind of offence.

These issues particularly relate to:

- sex offender treatment
- violence prevention
- Making Our Drivers Safer (MODS).

OUTPUT 7.1 RESPONSIVITY/MOTIVATIONAL PROGRAMMES



This output entails the delivery of Straight Thinking, Tikanga Māori and faith-based programmes. Attendance at these programmes improves an offender’s responsivity or motivation to address identified criminogenic needs. Specific programmes include:

- Straight Thinking which aims to improve the critical reasoning required for effective social integration
- Tikanga Māori programmes, which are delivered to community-based offenders, remand and sentenced inmates (including youth in specialist male youth units). These programmes are designed to use Māori philosophy, values, knowledge and practices to increase motivation for the offender to address their offending behaviour
- Christian-based programmes which are delivered in the Faith-based Unit at Rimutaka Prison.

	Performance Standard	
	2004/05	2003/04
STRAIGHT THINKING PROGRAMMES		
Quantity		
The number of hours offenders spend attending a Straight Thinking programme		
• Inmates:	69,300	69,300
• Community-based offenders:	82,880	82,880
The number of offenders who start a Straight Thinking programme		
• Inmates:	990	990
• Community-based offenders:	1,184	1,184
Quality		
The percentage of offenders who start and complete a Straight Thinking programme to be no less than		
• Inmates:	80%	80%
• Community-based offenders:	65%	65%
TIKANGA MĀORI PROGRAMMES		
Quantity		
The number of offenders who start a Tikanga Māori programme		
• Inmates:	943	943
• Community-based offenders:	523	523
Quality		
The percentage of offenders who start and complete a Tikanga Māori programme to be no less than		
• Inmates:	75%	75%
• Community-based offenders:	65%	65%

R OUTPUT 7.1 RESPONSIVITY/MOTIVATIONAL PROGRAMMES (continued)

	Performance Standard	
	2004/05	2003/04
FAITH-BASED UNIT		
Quantity		
The number of sentenced inmates in the Faith-based Unit to be up to:	60	60
Quality		
The minimum average occupancy rate:	95%	95%

R OUTPUT 7.2 CRIMINOGENIC PROGRAMMES

This output delivers programmes to address an offender's criminogenic needs, either in prison or the community. Programmes include:

- EQUIP, a youth offender programme designed to develop cognitive behavioural reasoning for effective social interaction
- sex offender treatment programmes, for inmates convicted of sex offending against children. The programmes include special treatment units (at Kia Marama and Te Piriti)
- violence prevention programmes, including the delivery of group-based treatment to violent offenders in the male Violence Prevention Special Treatment Unit at Rimutaka Prison and the Pacific violence prevention programme
- substance abuse programmes to highly recidivist offenders with identified alcohol- and drug-related needs. The output includes the delivery of alcohol and drug treatment programmes within special treatment units
- generic criminogenic programmes, such as the Mixed Programme to Reduce Re-offending (M-PRO) and Structured Individual Programmes (SIP)
- Māori therapeutic programmes involving alcohol, drug, and violence prevention (including programmes delivered in Māori focus units and He Tete Kura Mana Tangata)
- Making Our Drivers Safer (MODS), a programme delivered within the community to reduce re-offending by addressing high-risk, recidivist traffic offenders.

	Performance Standard	
	2004/05	2003/04
CRIMINOGENIC PROGRAMMES		
Quantity		
The number of hours offenders spend attending a criminogenic programme		
• Inmates:	105,400	119,800 ²¹
• Community-based offenders:	73,190	71,925
The number of offenders who start a criminogenic programme		
• Inmates:	700	700
• Community-based offenders:	783	783
Quality		
The percentage of offenders who start and complete a criminogenic programme		
• Inmates:	75%	75%
• Community-based offenders:	65%	65%

²¹ The performance standard for the 2003/04 year was incorrectly stated in that year's SOI due to a typographical error. The correct target was 105,400.

OUTPUT 7.2 CRIMINOGENIC PROGRAMMES (continued)



	Performance Standard	
	2004/05	2003/04
SEX OFFENDER TREATMENT PROGRAMMES		
Quantity		
The number of hours inmates spend attending a programme at		
• Kia Marama:	12,500	12,500
• Te Piriti:	12,500	12,500
The number of inmates who start a programme at		
• Kia Marama:	40	40
• Te Piriti:	40	40
Quality		
The number of inmates who start and complete a programme at		
• Kia Marama to be no less than:	38	38
• Te Piriti to be no less than:	38	38
The percentage of programmes completed at Kia Marama and Te Piriti where all the components described in the service description were completed:	100%	100%
• norm building		
• construction of offence chain incorporating challenging cognitive distortion		
• 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.		
VIOLENCE PREVENTION PROGRAMMES		
Quantity		
The number of hours inmates spend attending a violence prevention programme at Rimutaka Prison:	7,700	7,700
The number of inmates who start a violence prevention programme at Rimutaka Prison:	30	30
Quality		
The number of violence prevention programmes completed at Rimutaka Prison:	3	3
The percentage of offenders who start and complete a violence prevention programme at Rimutaka Prison:	70%	70%
EQUIP		
Quantity		
The number of EQUIP programme hours provided to youth:	3,840	3,840
The number of youth who start an EQUIP programme:	134	134
Quality		
The percentage of sentenced youth in youth units who participate in an EQUIP programme:	98%	98%
MĀORI THERAPEUTIC PROGRAMMES		
Quantity		
The number of hours inmates spend attending Māori therapeutic programmes:	5,000 ²²	21,600
The number of inmates who start a Māori therapeutic programme:	100 ²²	300
Quality		
The percentage of inmates who start and complete Māori therapeutic programmes to be no less than:	75%	75%

²² The Department has reviewed and modified the specification of the Māori Therapeutic Programme which will result in less inmates on each programme to enable a higher level of interaction and engagement and consequent quality levels. The revised programme is to be implemented during the 2004/05 financial year with one programme being run in each of the five Māori focus units, increasing to three programmes per year in subsequent financial years.

R OUTPUT 7.3 OTHER REHABILITATIVE PROGRAMMES AND ACTIVITIES

This output entails the provision and administration of other criminogenic and special programmes that are designed to address the underlying causes of criminal re-offending.

This comprises:

- community-based sex offender treatment programmes delivered by third parties
- community-based domestic violence and alcohol and drug programmes delivered by third parties
- community-based violence prevention programmes delivered by third parties.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours offenders spend attending other rehabilitative programmes funded by Probation and Offender Services:	95,000	80,000-110,000
Quality		
The percentage of offenders who start and complete a rehabilitative programme funded by Probation and Offender Services to be no less than:	65%	65%

R OUTPUT 7.4 EDUCATION AND TRAINING

This output seeks to raise the basic literacy and numeracy levels of inmates through the provision of basic literacy and numeracy programmes, the National Certificate in Employment Skills (NCES) and other general education activities to ensure they are better equipped to cope in the community following their release from prison.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hours inmates spend attending a module under the NCES:	236,827	236,560
Quality		
The percentage of inmates who start and complete a module under the NCES to be no less than:	80%	80%

OUTPUT 7.5 REINTEGRATIVE SERVICES



This output entails the provision and administration of reintegrative services. This includes the delivery of programmes and activities to meet offenders' reintegrative needs, such as:

- family functioning/ social attitudes, victim empathy and life skills
- the provision of social worker and other support services to support the successful reintegration of offenders into their families/whanau, the community and the workforce
- tattoo removal
- offenders as victims of crime.

	Performance Standard	
	2004/05	2003/04
WHANAU LIAISON SERVICE		
Quantity		
The number of offenders and their families/whanau receiving the whanau liaison service to be no less than:	257	257
Quality		
The percentage of offenders and their families/whanau receiving the whanau liaison service for which an action plan is developed to be no less than:	100%	100%
REINTEGRATIVE SERVICES – as provided by the Public Prisons Service		
Quantity		
The number of hours delivered by the Public Prison Service for reintegrative services for inmates:	38,200	38,200
Quality		
The percentage of reintegrative services provided by the Public Prisons Service in accordance with an inmate's plan to be no less than:	90%	90%
REINTEGRATIVE SERVICES – as provided by the New Zealand Prisoners' Aid and Rehabilitation Society (NZPARS)		
Quantity		
The number of support service hours to be provided to be no more than:	40,098 ²³	34,710 ²⁴
Quality		
The percentage of referrals (urgent or otherwise) to NZPARS per month acknowledged within five working days of receipt:	95%	95%
REINTEGRATIVE SUPPORT SERVICES		
Quantity		
The number of offenders and their families/whanau receiving the service to be no more than:	120	120
Quality		
The percentage of offenders and their families/whanau receiving the service for which an action plan is developed to be no less than:	100%	100%

²³ Hours for 2004/05 have increased following renegotiation of the contract with the provider, NZPARS.

²⁴ Revised budget projections as amended through 2003/04 Supplementary Estimates.

R OUTPUT 7.6 COMMUNITY RESIDENTIAL CENTRES AND REDUCING YOUTH OFFENDING PROGRAMMES

This output entails offenders' attendance at community residential centres to address reintegrative and rehabilitative needs, and the piloting of Reducing Youth Offending programmes.

	Performance Standard	
	2004/05	2003/04
COMMUNITY RESIDENTIAL CENTRES		
Quantity		
The number of offenders directed to attend a community residential centre:	82	72-92
The number of psychologist hours provided to Montgomery House:	740	740
Quality		
The percentage of offenders who successfully undertake their community residential centre order to be no less than:	60%	60%
The percentage of assessments for Montgomery House programmes for which all of the information elements were assessed to be:	100%	100%
The percentage of post-programme assessments for Montgomery House programmes completed by a psychologist to be:	100%	100%
The percentage of clinical monitoring reports for Montgomery House programmes that adhere to the standards to be:	100%	100%
The percentage of clinical monitoring reports for Montgomery House programmes provided within agreed timeframes to be:	100%	100%
REDUCING YOUTH OFFENDING PROGRAMMES		
Quantity		
The number of youth who are directed to attend a Reducing Youth Offending programme:	130	100-130
Quality		
The percentage of youth who successfully undertake a Reducing Youth Offending programme order to be no less than:	70%	70%

This output entails the provision of specialist psychological treatment services to offenders serving both custodial and community-based sentences. It includes the provision of reports resulting from the referral, assessment and treatment of offenders serving custodial sentences, and of professional training and supervision relating to the delivery of responsivity/motivational and rehabilitative programmes.

	Performance Standard	
	2004/05	2003/04
PSYCHOLOGICAL SERVICES		
Quantity		
The number of psychological consultation hours provided to the		
• Public Prisons Service:	9,199 ²⁵	9,834
• Community Probation Service:	11,288 ²⁵	12,000
The number of psychological reports provided to the		
• Public Prisons Service:	779 ²⁵	840-900
• Community Probation Service:	916 ²⁵	1,020-1,060
Quality		
The percentage of psychological consultations which meet the following standards to be no less than:	95%	95%
• 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.		
The percentage of psychological reports which meet the following standards to be no less than:	95%	95%
• concise, logical and grammatically correct		
• source and reason for referral are clearly stated		
• all relevant and appropriate information is included		
• sources of information are well documented and verified		
• clear statements of recommendations for further intervention		
• complies with the Psychologists' Code of Ethics.		

²⁵ The quantity measures have changed to reflect the funding levels agreed to on the basis of the standard hours model as negotiated in the Department's Output Pricing Review.

R OUTPUT 7.7 PROVISION OF PSYCHOLOGICAL SERVICES (continued)

BICULTURAL THERAPY MODEL

Quantity

The number of consultation hours provided by Māori service providers under the Bicultural Therapy Model:	4,000	4,000
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Quality

The percentage of Māori service providers who comply with the following standards when delivering consultation hours under the Bicultural Therapy Model to be:	100%	100%
<ul style="list-style-type: none">• all referrals follow locally agreed referral processes• provider has received induction from the Psychological Service• provider has signed a contract for services• treatment provided is centred around Māori values and beliefs using the principles of kaupapa Māori and nga tikanga Māori• provider is mandated by the relevant Oversight Committee, comprising representatives of local iwi and the Psychological Service• a report is provided to the Psychological Service at the end of each referral.		

R OUTPUT 7.8 CHAPLAINCY SERVICES

This output entails the use of chaplaincy and religious activities to assist the regeneration of pro-social values and behaviour.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of full-time equivalent chaplains in prisons:	26	26
Quality		
The percentage of chaplaincy service reports provided to the Public Prisons Service within the agreed timeframes:	100%	100%

COSTS FOR OUTPUT CLASS 7 REHABILITATIVE PROGRAMMES AND REINTEGRATIVE SERVICES FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$55.597 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Departmental (GST exclusive) (\$000)
2004/05 SOI	55,597	49,419	49,419	47,923	1,496
2003/04 Supp Ests	53,840	47,858	47,858	46,362	1,496
2003/04 SOI	49,124	43,666	43,666	42,170	1,496

OUTPUT CLASS 8

SERVICES TO THE NEW ZEALAND PAROLE BOARD

This output class involves the provision of funding for, and administrative, financial and secretariat services to, the New Zealand Parole Board. This will assist the New Zealand Parole Board to meet its independent statutory responsibilities.

OUTPUT 8.1 SERVICES TO THE NEW ZEALAND PAROLE BOARD



This output class involves the provision of administrative, financial and secretariat services to the New Zealand Parole Board.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of hearings by the New Zealand Parole Board to be:	8,000	8,000 ²⁶
Quality		
The percentage of offenders or victims notified of an impending hearing at least 10 working days before a hearing:	95%	90%
The percentage of offenders or victims notified of a Board decision within 10 working days after a hearing:	95%	90%
The percentage of papers for home detention (deferred sentences) hearings provided to the Board at least five working days before a hearing:	95%	90%
The percentage of all other papers for each hearing provided to the Board at least 10 working days before a hearing:	95%	90%
The scheduling of cases to be heard by the Board to be within the timeframe specified in the Parole Act 2002:	100%	100%

COSTS FOR OUTPUT CLASS 8: SERVICES TO THE NEW ZEALAND PAROLE BOARD

FOR THE YEAR ENDING 30 JUNE 2005

The output in this class will be provided within the appropriated sum of \$6.604 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	6,604	5,870	5,870	5,870	-
2003/04 Supp Ests	6,160	5,476	5,476	5,476	-
2003/04 SOI	4,818	4,283	4,283	4,283	-

²⁶ Revised budget projections as amended through 2003/04 Supplementary Estimates.

OUTPUT CLASS 9

POLICY ADVICE AND DEVELOPMENT

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

PR

OUTPUT 9.1 POLICY ADVICE AND DEVELOPMENT SERVICES

This output involves the provision of policy advice and development services.

	Performance Standard	
	2004/05	2003/04
Quantity		
Advice will be provided according to a work programme agreed with the Minister of Corrections:	100%	100%
Quality		
The Minister of Corrections will expect advice to be delivered according to the quality standards as outlined below:	100%	100%
<ul style="list-style-type: none">the aims of the paper have been clearly stated and they answer the questions that have been setthe assumptions behind the advice are explicit, and the argument is logical and supported by the factsthe facts in the paper are accurate and all material facts have been includedan adequate range of options has been presented and each has been assessed for benefits, costs and consequences to the Government and the communitythere is evidence of adequate consultation with interested parties and possible objections to proposals have been identifiedthe problems of implementation, technical feasibility, timing and consistency with other policies have been consideredthe 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.		
Timeliness		
Policy advice purchased will be delivered within the specific reporting deadlines agreed with the Minister of Corrections:	100%	100%

OUTPUT 9.2 MINISTERIAL SERVICING



This output involves the purchase of analysis, research and drafting of responses to Ministerial correspondence and to Parliamentary questions received by the Minister of Corrections.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of responses to be prepared to Ministerial correspondence is estimated to be:	600	600
The number of responses to Parliamentary questions is estimated to be:	700	500
Quality		
The percentage of replies returned for redrafting not to exceed:	10%	10%
All responses signed out by either a general manager or, in his or her absence, an appropriate manager to be:	100%	100%
Timeliness		
The percentage of responses to Ministerial correspondence completed within the timeframes agreed with the Minister's Office to be no less than:	90%	90%
The percentage of responses to Parliamentary questions completed within the timeframes set by the Minister's office to be:	100%	100%

OUTPUT 9.3 PROVISION OF PSYCHOLOGICAL AND OTHER RESEARCH



This output involves the provision of psychological research and other approved research projects related to corrections services.

	Performance Standard	
	2004/05	2003/04
Quality		
The percentage of research and evaluation delivered to agreed project milestones:	100%	100%
The percentage of psychological and other research that will be provided to the following criteria contained in the Psychological Service Manual:	100%	100%
<ul style="list-style-type: none">the hypothesis/aim of the research is clearly stated; capable of being tested; uses minimal variables; is resourced appropriatelydata collection is to meet appropriate standards of research design, and appropriate analysis tools are to be usedthe results are accurately and clearly describedthere is concise and thorough explanation of the implications of the results for the issues investigatedthe research should be peer reviewed both internally and externallythe report is written in a format appropriate to the audiencethe aims of the paper are accurate and all material facts have been includedthe material is free of spelling or grammatical errors and an executive summary is provided if the report exceeds five pageswhen possible the material is published within internationally recognised journals.		

COSTS FOR OUTPUT CLASS 9: POLICY ADVICE AND DEVELOPMENT
FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$5.027 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	5,027	4,468	4,468	4,468	-
2003/04 Supp Ests	4,579	4,070	4,070	4,070	-
2003/04 SOI	4,655	4,138	4,138	4,138	-

OUTPUT CLASS 10

SERVICE PURCHASE AND MONITORING

This output class involves the development, management and monitoring of agreements for the purchase of services 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 10.1 PURCHASE AND MONITORING OF SERVICE DELIVERY



This output involves the development, management and monitoring of:

- Internal Purchase Agreements with the five internal providers of corrections services (Public Prisons Service, Community Probation Service, Psychological Service, Intervention Services and Corrections Inmate Employment)
- services purchased from external providers, in particular with GEO Australia Pty Ltd and NZPARS
- interagency agreements, in particular the agreements with Child, Youth and Family and the Ministry of Justice, and memoranda of understanding with the New Zealand Police, Ministry of Social Development, ACC, Ministry of Health, Inland Revenue Department, Ministry of Housing, New Zealand Parole Board, New Zealand Council of Victim Support Groups, New Zealand Housing Corporation and Career Services.

Service delivery is monitored in terms of quantity and quality, and remedial action is taken if service delivery is unsatisfactory.

	Performance Standard	
	2004/05	2003/04
INTERAGENCY AGREEMENTS		
Quantity		
The number of interagency agreements managed by Corporate Management:	12	12
Quality		
The percentage of interagency agreements managed in accordance with the review and reporting provisions to be:	100%	100%
Timeliness		
The percentage of interagency agreements that are renegotiated and/or reviewed by the date specified to be:	100%	100%

P OUTPUT 10.1 PURCHASE AND MONITORING OF SERVICE DELIVERY (continued)

	Performance Standard	
	2004/05	2003/04
INTERNAL PURCHASE AGREEMENTS AND EXTERNAL CONTRACTORS		
Quantity		
The number of Internal Purchase Agreements with internal providers:	5	4
The number of contracts for services with external providers negotiated and managed by Corporate Management:	3	3
Quality		
The percentage of Internal Purchase Agreements and contracts for services with external providers that meet the following standards to be:	100%	100%
<ul style="list-style-type: none">• services are clearly described• performance measures and standards are specified• price and payment regime (including incentives as appropriate)• format and dates of reporting requirements are specified.		
The percentage of Internal Purchase Agreements and contracts for services with external providers that are regularly reviewed and reported on in terms of the following criteria to be:	100%	100%
<ul style="list-style-type: none">• the procedures are being followed• service delivery and performance measures are as specified• the quality of service delivery and performance is as specified• the manner, timing and form of reporting are as laid down.		
COMMUNITY FUNDING CONTRACTS		
Quantity		
The number of community funding contracts to be negotiated with external providers:	110	100-120
Quality		
The percentage of community funding contracts with a value of \$20,000 (or over) that have performance measures and standards to the following criteria to be:	100%	100%
<ul style="list-style-type: none">• the correct parties to the contract are specifically identified and the parties have legal power to contract and are a legal entity• the term of the contract has been identified• the price is identified in the schedule of the contract• the payment regime is specified• the format and dates of reporting requirements are stated• the mechanism for resolving disputes is stated• the programme is clearly described (including programme aims, content and delivery process)• the contract is legal.		
Timeliness		
The percentage of community funding contracts with values of \$20,000 (or over) agreed and in place by the agreed date to be no less than:	95%	95%

OUTPUT 10.1 PURCHASE AND MONITORING OF SERVICE DELIVERY (continued)**P**

	Performance Standard	
	2004/05	2003/04
CONTRACTS WITH COMMUNITY RESIDENTIAL CENTRES		
Quantity		
The number of contracts between the Probation and Offender Services and community residential centres:	3	3
Quality		
The percentage of contracts for services with community residential centres that meet the following standards:	100%	100%
• services are clearly described		
• performance measures and standards are specified		
• price and payment regime is specified (including incentives as appropriate)		
• format and dates of reporting requirements are specified.		
The percentage of contracts for services with community residential centres that are regularly reviewed and reported on in terms of the following criteria to be:	100%	100%
• the procedures are being followed		
• service delivery and performance measures are as specified		
• the quality of service delivery and performance is as specified		
• the manner, timing and form of reporting are as laid down.		

OUTPUT 10.2 PROVISION OF INSPECTORATE SERVICES**P**

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.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of inspections in the inspectorate work programme as approved by the Assurance Board		
• Routine visits:	80-120	80-120
• Special investigations:	10-30	10-30
Quality		
The percentage of inspections that are carried out to the following criteria to be:	100%	100%
• to a quality which satisfies the Assurance Board		
• according to the guidelines and standards of the New Zealand Institute of Internal Auditors		
Timeliness		
All reports on routine inspection visits will be finished within one month of visit.		
All special reports will be finished within the time period agreed in the terms of reference for the investigation:	100%	100%

P OUTPUT 10.3 PROVISION OF NATIONAL SYSTEMS SERVICES

This output involves:

- the development and maintenance of service specifications and national systems
- the administration of the Victim Notification Register
- the provision of offender records services
- the administration of statutory appointments and delegations affecting offender management.

	Performance Standard	
	2004/05	2003/04
Quantity		
The number of information transactions with external agencies:	9,000	8,000-10,000
Quality		
The percentage accuracy of the statutory appointment and delegations registers affecting the operational management of inmates:	100%	100%
Timeliness		
The percentage of national systems transactions completed within seven working days of application being received:	100%	100%
The percentage of applications for victims' registration processed within 10 working days of being received:	100%	100%
The percentage of personal records established for inmates imprisoned for six months or more within 10 working days of reception:	100%	100%

COSTS FOR OUTPUT CLASS 10: SERVICE PURCHASE AND MONITORING FOR THE YEAR ENDING 30 JUNE 2005

Outputs in this class will be provided within the appropriated sum of \$4.409 million (inclusive of GST).

Year	Cost (GST inclusive) (\$000)	Cost (GST exclusive) (\$000)	Total Revenue (GST exclusive) (\$000)	Revenue Crown (GST exclusive) (\$000)	Revenue Other (GST exclusive) (\$000)
2004/05 SOI	4,409	3,919	3,919	3,919	-
2003/04 Supp Ests	4,283	3,810	3,778	3,778	-
2003/04 SOI	3,960	3,520	3,520	3,520	-



PART 3

SUPPORTING INFORMATION

PART 3 - SUPPORTING INFORMATION

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TRIPLE BOTTOM LINE REPORTING

INTRODUCTION

The Department of Corrections has begun work on developing a process of reporting its activities within the framework of sustainable development reporting – the Triple Bottom Line (TBL). Once in place the TBL framework will allow the reporting of the social, environmental and economic impacts associated with the Department’s operations.

The development of a complete set of TBL indicators and the capability to report against them will take some time. During the course of the 2004/05 financial year, the Department will review the most effective way to report its TBL performance on an ongoing basis. Work will continue to identify the relevant social, environmental and economic performance aspects and indicators against which the Department’s TBL performance will be assessed.

ALIGNING TRIPLE BOTTOM LINE REPORTING WITH THE DEPARTMENT’S PURPOSE

In order for the Department’s TBL framework to be at its most effective, it will need to be aligned with the Department’s core purpose. The Department directly contributes to the justice sector outcome of safer communities through its contribution to the two secondary outcomes of protecting the public and reducing re-offending. Measurements of effectiveness are already being developed through the outcome measurement process that will remain the principal means of determining the Department’s effectiveness in any wider TBL reporting framework.

What the development of a TBL framework will add to outcome measurement is a richer picture of how the Department’s activities contribute to the even broader goal

of sustainable development. This is because TBL will assist the Department to assess the full impact of its operations in wider social, environmental and economic terms.

RECOGNISED PERFORMANCE ASPECTS AND INDICATORS

The Department has identified several social, environmental and economic aspects and performance indicators that may be relevant to its TBL performance measurement and reporting. These aspects and associated performance indicators have been included in tables under each of the three measures.

Social

The TBL framework will enable the Department to identify and report the social impact of, and social issues arising from, its operations.

Potential indicators are outlined in the following table.

SOCIAL PERFORMANCE ASPECTS AND INDICATORS

Social Performance Aspects	Social Performance Indicators
Staff employment	Ethnicity, gender, staff absences, successful grievances and annual turnover of Department staff
Staff health and safety	The Department’s health and safety policies, procedures, annual compliance and results
Staff training and education	The Department’s training policies for staff including the number and type of training and education programmes and initiatives and their respective success rates
Offender health and safety	The Department’s health and safety policies, procedures, annual compliance and results
Offender training and education	The Department’s training policies for offenders including the number and type of training and education programmes and initiatives and their respective success rates
Impact on the community	Measures taken by the Department to maintain relationships with families of offenders (through initiatives such as the Department’s Whanau Involvement Plan) and wider communities including consultation processes, the operation of a number of service level agreements with other agencies to assist with the reintegration of offenders into society, open days and presentations

The Department will continue to build on research already completed into the impacts of corrections facilities on communities and to use this information to inform future development and the ongoing management of the Department.

Environment

The Department is increasingly moving towards measurement of

outcomes from its environmental activity. The Department manages 11,800 hectares of land and is responsible for land management as well as for river and stream protection when intensively farming or occupying adjacent land.

The Department has audited, and will continue to audit, all current and potential prison sites for both legislative compliance and

environmental effects. Performance has been assessed against ISO 14001 Standard and this has been effective in identifying the need for stronger planning and reviews, and reinforced the need to actively manage all sites to mitigate environmental issues.

Potential indicators are outlined in the following table.

ENVIRONMENTAL PERFORMANCE ASPECTS AND INDICATORS

Environmental Performance Aspects	Environmental Performance Indicators
Energy efficiency	Summary of energy sources and energy used throughout the Department, initiatives regarding cleaner fuels, energy efficiency and relevant targets
Biodiversity	The location and size of the land owned, leased or managed by the Department including that used for production purposes, the impact of operations on sensitive areas, policies ensuring the effective management of land and waterways and compliance with relevant standards
Environmental effects	Departmental greenhouse gas emissions by source, total waste including recycling and emission minimising initiatives and other effects covered by resource consents

Economic

The TBL framework will enable the Department to measure and report against the economic impact of, and economic issues arising from, its operations as opposed to solely reporting its financial performance. The Department’s principal social purpose needs to be borne in mind

when measuring and reviewing the economic impacts and issues in contributing to the justice sector outcome of safer communities. Simply by virtue of managing such significant resources, decisions by the Department will also have direct economic impacts, not least through the greater part of the departmental

expenditure being on personnel. Decisions on how and where the Department’s resources are located, will continue to have economic impacts on local communities. Potential indicators are outlined in the following table.

ECONOMIC PERFORMANCE ASPECTS AND INDICATORS

Economic Performance Aspects	Economic Performance Indicators
Upskilling of inmates	The provision of training-related programmes and work experience that educate inmates and provide them with employable skills and potential employment once released from prison
Economic benefits to local communities	The benefits experienced by communities as a result of the operations of the Department in a community and through the provision of offenders to local organisations to assist with the running of their activities

THE WAY AHEAD

The information provided does not present a complete picture of the Department’s social, environment and economic framework. Rather, it signals the path that the Department is heading down in order to develop a customised TBL framework that effectively informs all stakeholders of its performance on an ongoing basis.

DEPARTMENTAL STRUCTURE

AS OUTLINED PREVIOUSLY, THE DEPARTMENT IS RESPONSIBLE FOR THE PROVISION OF INFORMATION TO COURTS AS PART OF THE SENTENCING PROCESS AND THE MANAGEMENT OF OFFENDERS SENTENCED TO EITHER A CUSTODIAL OR COMMUNITY-BASED SENTENCE INCLUDING THE DESIGN AND DELIVERY OF REHABILITATION AND REINTEGRATION INTERVENTIONS.

To provide these services the Department is organised into service delivery and support functions with a particular focus on working together in a cohesive manner across the organisation to improve overall performance. This focus is enhanced by Regional Management Committees responsible for ensuring that operational management and service delivery are well integrated at the interface between the two key delivery arms of Probation and Offender Services and the Public Prisons Service (PPS).

SERVICES

The **Public Prisons Service** 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 plea, trial or sentencing. The service is also responsible for managing the sentences of each sentenced inmate,

including rehabilitation and reintegration.

Probation and Offender Services incorporates the Community Probation Service (CPS), the Psychological Service and Intervention Services.

- The **Community Probation Service** provides information and reports to judges (to assist them when sentencing offenders) and provides information to prison management and the New Zealand Parole Board (NZPB). The service manages community-based sentences and orders including supervision, community work, parole, home detention, and release from prison on conditions. CPS contracts with community providers for community-based rehabilitative and reintegrative programmes for offenders.
- The **Psychological Service** provides specialist clinical treatment and assessment advice for offenders, and training and education for departmental staff

and community groups. The service provides specialist pre-assessment reports to courts and specialist risk assessment reports to the NZPB. The service undertakes research and is responsible for monitoring the integrity of assessments and programmes delivered within the Department.

- **Intervention Services** provides programmes to offenders serving prison terms and those on community-based sentences or orders. The service manages the Department's programme delivery requirements for criminogenic and some motivational programmes. Programme facilitators work closely with staff managing sentences in the other services. Intervention Services provides training to prison and probation staff on criminogenic needs assessment tools. Intervention Services will be operational from 1 July 2004.

Facilities

As at May 2004, the Department operated 18 Public Prisons Service institutions and the Auckland Central Remand Prison (managed by GEO Australia Pty Limited). During this financial year the Department will be commissioning the Northland Region Corrections Facility.

The Department’s Community Probation Service operates out of 12 areas (with staff at 144 locations);

there are eight Psychological Service offices and from 1 July 2004 Intervention Services will begin operating across the country.

In conjunction with Child, Youth and Family, Corrections is piloting a programme designed to reduce re-offending by youth, which operates in Auckland and Christchurch.

The Department operates six special treatment units located in prisons:

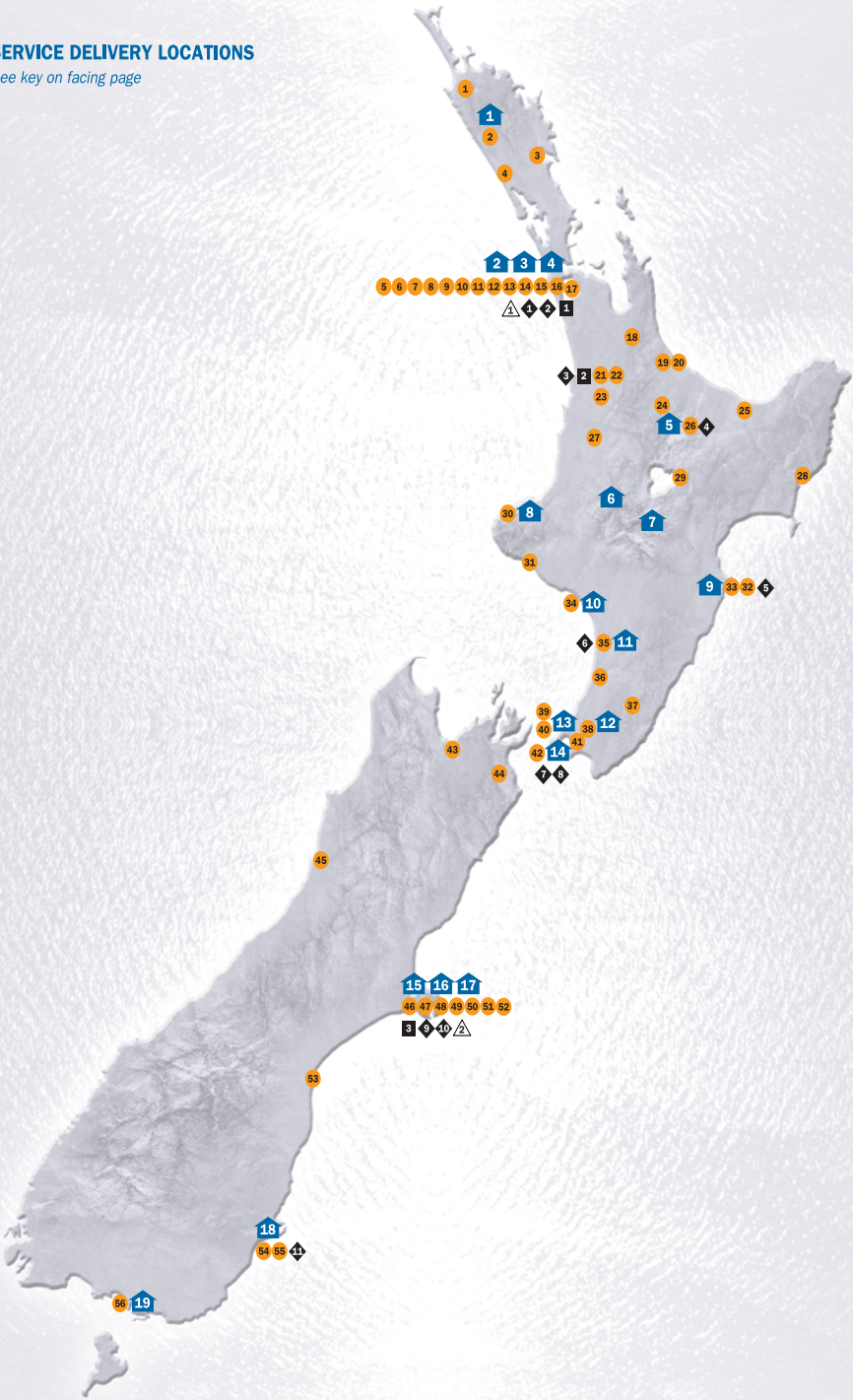
- two sex offender treatment units
- three drug and alcohol treatment units
- one violent offender treatment unit.

There are also prison units with a specific focus:

- five Māori focus units
- five self-care units
- four youth units
- one faith-based unit.

SERVICE DELIVERY LOCATIONS

See key on facing page



KEY



PUBLIC PRISONS SERVICE

Northern Region

- 1 Northland Region Corrections Facility*
- 2 Auckland Prison
- 3 Mt Eden Prison
- 4 Mt Eden Women's Prison

Waikato/Central Region

- 5 Waikeria Prison
- 6 Ohura Prison
- 7 Tongariro/Rangipo Prison

Midland Region

- 8 New Plymouth Prison
- 9 Hawkes Bay Regional Prison
- 10 Wanganui Prison
- 11 Manawatu Prison

* operational in third quarter of 2004/05

Wellington Region

- 12 Rimutaka Prison
- 13 Arohata Women's Prison
- 14 Wellington Prison

Southern Region

- 15 Christchurch Prison
- 16 Christchurch Women's Prison
- 17 Rolleston Prison
- 18 Dunedin Prison
- 19 Invercargill Prison

CORRECTIONS INMATE EMPLOYMENT

Corrections Inmate Employment (CIE) operates at each of the prisons.

PUBLIC PRISONS SERVICE REGIONS



PROBATION AND OFFENDER SERVICES



COMMUNITY PROBATION SERVICE

Northern Region Service Centres

- 1 Kaitia
- 2 Kaikohe
- 3 Whangarei
- 4 Dargaville
- 5 Waitakere
- 6 North Shore
- 7 Auckland - Albert St
- 8 Mt Eden
- 9 Onehunga
- 10 Mangere
- 11 Otahuhu
- 12 Otara
- 13 Panmure
- 14 Manurewa
- 15 New Lynn
- 16 Papakura
- 17 Franklin

Central Region Service Centres

- 18 Paeroa
- 19 Tauranga - John St
- 20 - Cameron St
- 21 Hamilton - Anglesea St
- 22 - Tristram St
- 23 Te Awamutu
- 24 Tokoroa
- 25 Whakatane
- 26 Rotorua
- 27 Te Kuiti
- 28 Gisborne

- 29 Taupo
- 30 New Plymouth
- 31 Hawera
- 32 Napier
- 33 Hastings
- 34 Wanganui
- 35 Palmerston North
- 36 Levin

Southern Region Service Centres

- 37 Masterton
- 38 Upper Hutt
- 39 Porirua - Hagley St
- 40 - Prosser St
- 41 Lower Hutt
- 42 Wellington
- 43 Nelson
- 44 Blenheim
- 45 Greymouth
- 46 Christchurch - Cnr Durham & Armagh Sts
- 47 - Peterborough St
- 48 - Stanmore Rd
- 49 - Pages Rd
- 50 - Kingsley St
- 51 - Winston Ave
- 52 - Victoria St
- 53 Timaru
- 54 Dunedin - King Edward St
- 55 - Lower Stuart St
- 56 Invercargill

COMMUNITY PROBATION SERVICE AND INTERVENTION SERVICES REGIONS



INTERVENTION SERVICES

Operational from 1 July 2004

Northern Region

- 1 Auckland Regional Office

Central Region

- 2 Hamilton Regional Office

Southern Region

- 3 Christchurch Regional Office



REDUCING YOUTH OFFENDING PROGRAMME

This programme is run in conjunction with Child, Youth and Family

- 1 Auckland
- 2 Christchurch



PSYCHOLOGICAL SERVICE

Northern Region

- 1 Auckland Office
- 2 Te Piriti Special Treatment Unit (Auckland Prison)
- 3 Hamilton Office
- 4 Rotorua Office
- 5 Hawkes Bay Office
- 6 Palmerston North Office

Southern Region

- 7 Violence Prevention Unit (Rimutaka Prison)
- 8 Wellington Office
- 9 Christchurch Office
- 10 Kia Marama Special Treatment Unit (Rolleston Prison)
- 11 Dunedin Office

PSYCHOLOGICAL SERVICE REGIONS



GROUPS

Policy Development provides policy advice, strategic and trend analysis, develops correctional policy, contributes to legislative reviews and coordinates policy with other government agencies. The group incorporates the following units.

- The Strategic Analysis Unit provides analysis of forecasts and trends, manages the Department's research and evaluation work programme and calculates the Department's externally reported outcome measures.
- The Māori and Pacific Policy Unit provides strategic and operational advice leading to improved outcomes for Māori and Pacific peoples.
- The Treaty Relationships Unit works to support the development and ongoing management of the Department's Treaty relationships with Māori.
- The Strategic and Legislative Policy Unit provides advice and input on any legislative development impacting on the Department.
- The Operational Policy Unit is responsible for ongoing development of the Department's key operational business processes.

Corporate Management provides a range of services and advice to the Department.

- Information and Technology is responsible for the development and ongoing implementation of the Information Technology strategy, business critical

applications and the implementation of the Department's Knowledge Management strategy.

- Planning and Monitoring is responsible for the Department's strategic and business planning and reporting processes, output/outcome monitoring and international benchmarking activities.
- Corporate Services is responsible for contract management with key external providers, the provision of national systems and service descriptions and specifications that ensure the consistent delivery of core Corrections services, compliance monitoring, the victim notification system and support services within Head Office.
- Corporate Management also provides administrative support and training services for the New Zealand Parole Board (NZPB).

Strategic Services provides specialist advice and services to help run the Department. The group incorporates the following units.

- The Strategic Human Resources Unit is responsible for the development of the Department-wide human resource strategy, policy and procedures.
- The Communications Unit is responsible for the communications strategy, project support, publications and media management.
- The Internal Audit Unit provides assurance to the Chief Executive

on key statutory accountabilities and the operation of the Department's Risk Management Framework.

- The Prison Inspectorate provides assurance to the Chief Executive on the fair, safe, secure and humane treatment of offenders as well as the maintenance of the integrity of sentences imposed by the courts.

Corporate Finance provides the Department with the following range of services.

- Corporate financial services provides accounting and payroll services, the management of the budget process and the Department's interface with the Treasury.
- Corrections Inmate Employment manages inmate employment in prisons throughout New Zealand. Inmates work and receive training under the supervision of instructors, in areas such as joinery, catering, farming and forestry.
- The assets and property team manages the land and buildings with a current value of approximately \$850 million. It also establishes the suitability of available sites on which to build prison facilities.
- The Regional Prisons Development Project team works towards the design, commissioning and construction of prisons once prison sites are available for use.

SENIOR MANAGEMENT TEAM

Corrections' senior management team comprises the Chief Executive and General Managers (GMs) of the Services and Groups.



Pictured from left (front row) are: Katrina Casey, GM Probation and Offender Services; Mark Byers, Chief Executive; Phil McCarthy, GM Public Prisons Service; and from left (back row): Mike Martelli, GM Strategic Services; Jared Mullen, GM Policy Development; Bob Calland, GM Corporate Management; Richard Morris, Chief Financial Officer.

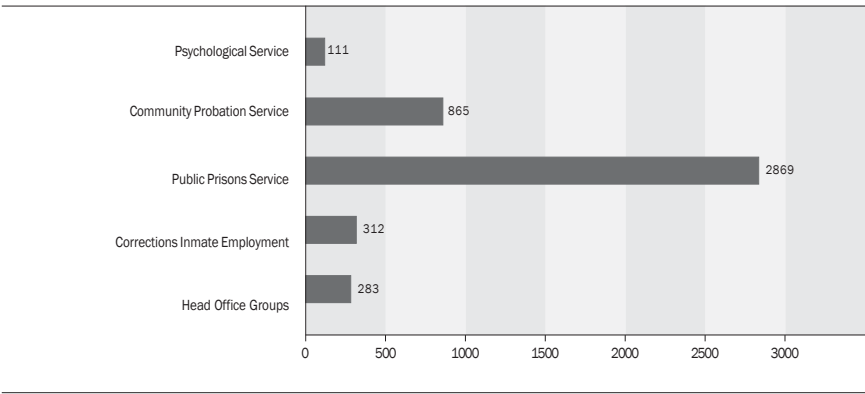
The Director Internal Audit is part of the Strategic Services Group but has a direct relationship with the Chief Executive.

KEY HUMAN RESOURCE STATISTICS

FULL-TIME EQUIVALENT STAFF

As at 31 December 2003 the Department of Corrections employed 4,440 full-time equivalent (FTE) staff. The distribution of staff throughout the services and head office groups is shown below.

Number of full-time equivalent staff



Of the 4,440 FTE staff 72 percent are frontline staff employed in the administration of community-based and custodial sentences. They include: Probation Officers, corrections officers, psychologists, instructors and the first line managers (managers to whom frontline staff report). Work party supervisors (382), who are also frontline staff, are not included in this statistic.

STAFF-RELATED COSTS

For 2004/05 the Department's Annual Operating Budget is \$536.509 million. Of this amount 48.6 percent is budgeted for staff-related costs.

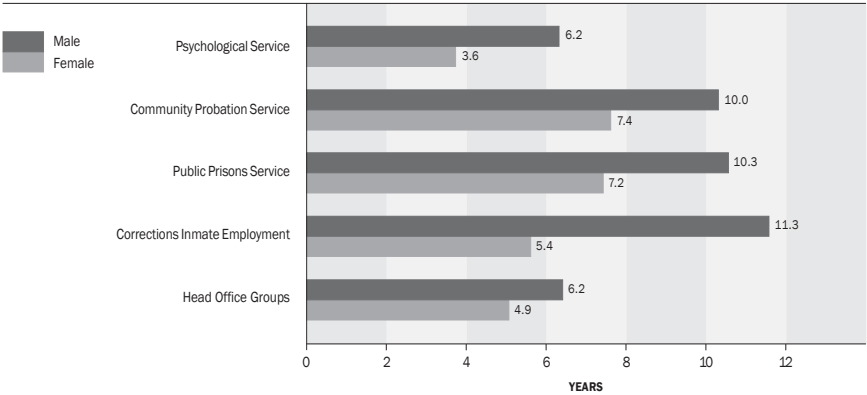
TOTAL EMPLOYEES BY GENDER AND ETHNICITY

As at 31 December 2003, of the 4,440 FTE staff, 65 percent were male and 35 percent female; 22 percent were Maori, 5 percent were Pacific peoples and 73 percent were other.

AVERAGE LENGTH OF SERVICE

The graph below shows the average length of service of staff by service or group, and by gender, as at 31 December 2003.

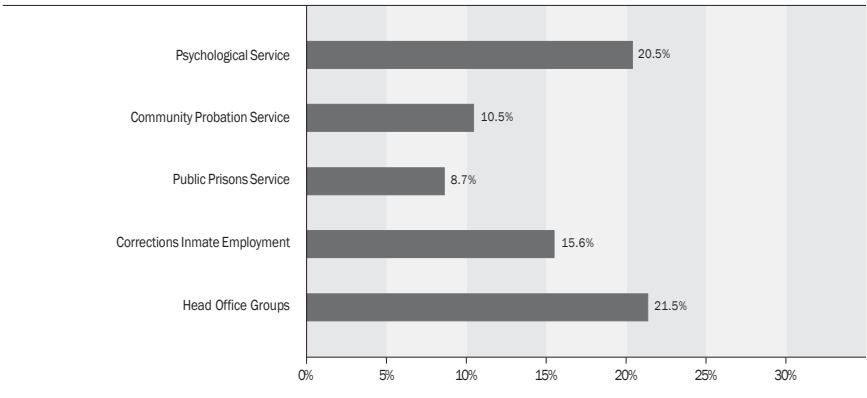
Average length of service



TURNOVER

The following graph shows the percentage turnover for each service and the Head Office groups for the year ended 31 December 2003.

Turnover



The overall percentage turnover for the Department for this period was 10.5 percent.

GOVERNANCE, ADVICE AND RELATIONSHIP ARRANGEMENTS

ASSURANCE BOARD

The Assurance Board assists the Chief Executive to ensure that the Department's risk management framework is operating effectively. 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, which meets bi-monthly, maintains professional oversight of the operation of the Department's internal audit and inspectorate functions. Formal departmental reporting on risk management is provided to the Assurance Board, which also reviews progress in key risk areas through reports from internal audit, the inspectorate and from departmental management.

The board is chaired by the Chief Executive and includes five external members: Gerry Conroy; David Henry; June McCabe; Brian Roche; and Steve Ruru.

CHIEF EXECUTIVE'S MĀORI ADVISORY GROUP

The Chief Executive's Māori Advisory Group provides 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. Issues concerning the Department and affecting the Māori community are raised with the Chief Executive. The group also provides feedback from the Māori community in relation to departmental activities.

The group is chaired by the Chief Executive and includes six external members: Hori Martin; Haami Piripi; Amster Reedy; June Robinson; Althea Vercoe; and Tui Warmerhoven.

The Māori Advisory Group supports the development of initiatives that meet the Department's aim to be more responsive to Māori. Its work contributes to the Department's second theme: improving responsiveness to Māori.

CHIEF EXECUTIVE'S PACIFIC ADVISORY GROUP

The Chief Executive's Pacific Advisory Group (CEPAG) provides advice to the Chief Executive on both strategic policy and operational issues as part of developing formal working relationships with Pacific peoples as outlined in the Department's *Pacific Strategy*.

CEPAG gives feedback and input about the Department's work in relation to Pacific offenders, staff and the community. The group represents an important connection with the Pacific community, and assists the Department to become more responsive to Pacific peoples' needs with a focus on reducing re-offending by Pacific offenders.

The group is chaired by the Chief Executive and includes five external members: Hugh Graham; Mai Malaulau; Tiresa Siataga Ta'ase; Taliaoa Filipo Tapoai; and Edgar Tuinukuafe.

INMATE EMPLOYMENT ADVISORY COMMITTEE

The Inmate Employment Advisory Committee (IEAC) advises the Chief Executive on:

- the implementation of Inmate Employment policy
- the external and internal operational targets and financial performance
- and the identification and management of risks arising from the Department's inmate employment activities.

The committee is chaired by David Wolfenden, and includes: Ken Douglas; Dave Elliott; John Hamilton; Phil McCarthy; Richard Morris; Royden Motu; John Roper; and Andy Train.

INTERAGENCY AGREEMENTS

The Department of Corrections has in place a number of agreements with other government departments and agencies which aim to assist with achieving its goals of protecting the public and reducing re-offending. Respective responsibilities are clearly defined by entering into an agreement.

The purpose of an agreement is to create an environment of cooperation to facilitate a sharing of information to provide free-flowing access to the services each department and agency can provide.

The Department currently has in place interagency agreements with the following agencies:

- Ministry of Justice
- New Zealand Police
- Child, Youth and Family
- Ministry of Health
- Inland Revenue Department
- Accident Compensation Corporation
- Ministry of Housing
- New Zealand Housing Corporation
- Career Services
- Ministry of Social Development
- New Zealand Parole Board
- New Zealand Council of Victim Support Groups.

INTERSECTORAL COMMITTEES

The Department is represented on a large number of local, regional and national intersectoral committees that have been established to effect one of the government's key goals, that is, to "reduce inequalities in health, education, employment and housing". The purpose of the intersectoral committees is to achieve this goal through cooperation and participation in the wider community.

Committees the Department is represented on around the country include:

- Strengthening Families
- Safer Community Councils
- Violence Prevention Network
- Child Welfare Liaison
- Restorative Justice Committees
- Regional Forensic Advisory Committee
- Regional Intersectoral Fora
- the Pacific Island Capacity Building Project.

NEW ZEALAND PAROLE BOARD

The New Zealand Parole Board is an independent statutory body established under section 108 of the Parole Act 2002 to perform various

functions, mostly in relation to the release from detention of offenders serving sentences of imprisonment and to consider offenders for home

detention. The Department provides administrative and training support for the NZPB.

VICTIM NOTIFICATION SYSTEM

The Victim Notification System was set up in 1987 as a result of the Victims of Offences Act 1987. The objective of the system is to provide registered victims of certain offences notice or advice about prison inmates or offenders on home detention or parole. The Victims' Rights Act 2002 has extended this to include offenders held by district health board mental health services.

Section 29 of the Victims' Rights Act 2002 sets out the eligibility criteria for a victim of an offence to receive notice or advice. The right to receive this information applies if the offence is:

- one of sexual violation or other serious assault, or
- one that resulted in the serious injury to a person, in the death of

- a person, or in a person being incapable, or
- one of another kind that has led to the victim having ongoing fears on reasonable grounds for their physical safety or security, or, the physical safety or security of members of their immediate family.

The Police receive and verify that applications fulfil the eligibility criteria.

The Department records victim and offender information on a database and sends a confirmation letter to the victim. The victim also receives a fact sheet describing the notification processes.

The Department notifies registered victims of information such as the

escape or death in custody of offenders, release to work, temporary releases and impending release dates.

The NZPB is responsible under the Parole Act 2002 for notifying registered victims of impending parole hearings and the victim's right to make submissions to the board. Victims are also entitled to information about an inmate's sentence (including any programmes they have undertaken and completed, and their security classification) to help them prepare their submission.

More information on the Victim Notification System can be found on the Department's website.

CORRECTIONS WITHIN THE JUSTICE SECTOR

THE JUSTICE SECTOR INCLUDES THE CORE AGENCIES OF THE MINISTRY OF JUSTICE, DEPARTMENT OF CORRECTIONS, NEW ZEALAND POLICE, CROWN LAW OFFICE AND CHILD, YOUTH AND FAMILY.

The sector works collaboratively with the Ministries of Social Development, Health, Education and Te Puni Kokiri. It also has links with a number of Crown agencies including the Legal Services Agency, Human Rights Commission, Privacy Commission, Office of the Ombudsmen, Police Complaints Authority, the Law Commission, the New Zealand Council of Victim Support Groups, the Electoral Commission and aspects of the Public Trust.

The success of the justice sector is dependent on all agencies coordinating their activities to ensure that individual issues are dealt with in the most effective way.

JUSTICE SECTOR END OUTCOMES

In early 2003 the core agencies of the justice sector developed two sector end outcomes of:

- safer communities; and
- a fairer, more credible and more effective justice system.

These end outcomes reflect the importance of crime reduction priorities and ensuring the justice system continues to meet the needs of society.

The underlying logic, characteristics and contribution of each of these outcomes to the key government goals are as follows.

Safer communities (being communities in which there is reduced crime and in which safety and wellbeing is enhanced through partnerships)

Community safety influences the degree to which people engage in social, productive or creative enterprises or activities. People are assured when there are core safety functions, less crime and a visible Police service that meets communities' expectations to lead safe lives. Safety is also enhanced when communities are supported in their desire to be safe through locally-based government agencies and organisations, such as Safer Community Councils.

The characteristics of safer communities require:

- the reduction of crime
- enhanced road safety
- maintenance of order and preservation of the peace
- assistance for members of the public when they call for Police services
- minimisation of threats to national security
- safe and secure management of offenders by way of compliance with sentences and orders
- assurance that those who have offended are rehabilitated and reintegrated effectively back into society

- crime prevention and safety intervention partnerships, through supporting local authorities, communities and non-government organisations to achieve common community safety and crime prevention goals
- partnerships with Māori to improve outcomes for Māori, particularly the reduction of offending by and victimisation of Māori
- the achievement of wellbeing and improved life outcomes for children, young persons and their families where criminal activity or family relationship issues are factors.

A fairer, more credible and more effective justice system (being a system in which people's interactions are underpinned by the rule of law and justice services are more equitable, credible and accessible)

New Zealand's justice system comprises constitutional arrangements and legal frameworks, civil and criminal structures, police investigation, judicial process and dispute resolution, and offender management.

The characteristics of a fair and effective justice system require:

- laws, regulations, policies and practices that provide certainty for people in their relationships with each other and with the government and its agencies
- appropriate balance between the powers of the State and individual rights and freedoms, including the right to question the actions of public agencies
- equitable, easily accessible and credible justice services that are understood by the people using them
- timely processes and fair results
- the confidence of the public
- courts that protect the rights and freedoms of natural persons and are independent (constitutional integrity)
- the right to due process (that is, the right to be represented in court by a lawyer, have evidence heard in an open court, have cases proved beyond reasonable doubt, to appeal against a conviction, etc)

- disputes between individuals, groups and/or companies dealt with by the rule of law (business contracts, wills, tax, land and other property, cases where negligence has caused another's loss, and family matters)
- robust appointment processes for judges and a well-supported judiciary
- accountability for criminal offences through sentences that are seen to be appropriate and fair
- protection for the vulnerable
- the rights of victims being protected and their interests being taken proper account of
- fair treatment of offenders
- unimpeachable integrity from individuals and agencies within the system
- historical Treaty claims being resolved in a fair, durable and timely manner

- a Parliamentary electoral system, which is managed in a way that maintains the confidence of citizens, political parties and Parliament.

JUSTICE SECTOR INTERMEDIATE OUTCOMES

Further to establishing the two end outcomes of safer communities and a fairer, more credible and more effective justice system, the sector has completed initial development of specific intermediate outcomes that sit under each of these end outcomes and will demonstrate, over a three-to five-year period, the progress that the sector is making towards their achievement.

The following priority projects and interventions to reduce crime and improve the justice system have been identified and are detailed in the tables on the facing page.

SAFER COMMUNITIES

This outcome focuses on the Government’s long-term commitment to reduce crime. It is framed within the priorities and associated strategies of the Government’s Crime Reduction Strategy.

Intermediate Outcome	Supporting Strategy
Reduced youth offending	Youth Offending Strategy
Reduced offending by Māori	Crime Reduction Strategy and individual agency Māori strategies
Reduced violence	General Violence Reduction Strategy
Reduced family violence	The New Zealand Family Violence Prevention Strategy – Te Rito
Reduced burglary	Police and Ministry of Justice strategies
Reduced organised crime	Police Organised Crime Strategy and Methamphetamine Action Plan
Reduced serious traffic offending	2010 Road Safety Strategy
Reduced theft of and from cars	Strategy being developed jointly between the Ministry of Justice and the Police

A FAIRER, MORE CREDIBLE AND MORE EFFECTIVE JUSTICE SYSTEM

Key intermediate outcomes identified for this end outcome are listed below.

Intermediate Outcome	Current/planned initiatives
Improved access to and delivery of court services, and Child, Youth and Family services	The Government’s Response to <i>Striking the Balance: Review of the New Zealand Court System</i> and the Baseline Review of the Child, Youth and Family Service
Improved public confidence in the Police, judiciary and other justice institutions	Strategies to be developed. Current initiatives include restructuring of the independent Police Complaints Authority and initiatives to support the judiciary
Improved relationships between the Crown and Māori	Current emphasis on contemporary Treaty issues and progress on historical Treaty settlements
Improved laws governing family relationships and other private dealings	Strategies to be developed. Supported by a variety of Law Commission reports

CORRECTIONS’ CONTRIBUTION

From the Department’s four themes flow strategies and associated initiatives that will contribute to the achievement of the justice sector end outcome of safer communities. The Department makes a particular contribution to four justice sector intermediate outcomes:

- reduced youth offending
- reduced offending by Māori
- reduced violence
- reduced family violence.

Corrections also contributes to the justice sector end outcome of a fairer, more credible and more effective justice system. It does this through the delivery of effective interventions and by operating in a way which is consistent with its agreed purpose and principles thereby contributing to improved public perceptions of the fairness of the justice system.

APPENDIX

TERMS AND DEFINITIONS

Benchmarking	Using a standard point of reference to compare departmental efficiency, effectiveness and quality with other jurisdictions that have similar governance and correctional practices.
Breakout escape	An escape from a secured prison area that breaches a physical barrier. This definition includes 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.
Community-based sentence	A sentence of supervision, community work, periodic detention, or community programme.
Community residential centre	An approved residential centre that operates programmes for offenders designed to identify and address the cause or causes of, or factors contributing to, their offending.
Community work	A community-based sentence that requires offenders to do unpaid work in the community. The sentence of community work is a new sentence combining elements of the community service and periodic detention sentences, which are being phased out in line with the Sentencing Act 2002.
Criminogenic needs	Features of an offender's personality, lifestyle and social circumstances that have been linked with re-offence risk.
Criminogenic programmes	Programmes that address offenders' criminogenic needs. By addressing these, offenders are less likely to re-offend.
Custodial sentence	A sentence of imprisonment.
EQUIP	A treatment programme provided in specialist youth units for young people with anti-social behavioural problems. The programme aims to achieve positive life outcomes for anti-social youth sentenced to prison.
Final release date	The date on which an offender serving a determinate sentence must be released. Subject to any liability to be recalled, an offender cannot be detained in a penal institution beyond this date.
Home detention	A community-based order that allows an offender to serve part of their prison sentence at home or at an approved place of residence. Offenders live at home under electronic surveillance and receive intensive supervision by a Probation Officer.
Indeterminate sentence	A sentence that does not have an expiry date, that is, currently life sentences and preventive detention.

Kia Marama	Special therapeutic unit at Rolleston Prison in Canterbury that delivers group-based treatment within a therapeutic environment for male inmates with convictions for sexual offences against children.
Making Our Drivers Safer (MODS)	A community-based programme for serious and high-risk driver offenders, specifically targeted at those who compulsively drive while disqualified and those who drive under the influence of drugs and/or alcohol.
Māori focus unit	A unit within a prison, which provides an environment and programmes that meet the specific psychological needs of Māori offenders, including preparation for their release. Māori focus units are constituted on tikanga Māori principles and operate within a tikanga Māori environment.
Non-return from temporary release	Where an inmate does not return to prison at the appointed time.
Output Pricing Review	A mechanism to determine with central agencies, resources required to sustain the medium- to long-term delivery of departmental outputs.
Parole	An offender is released by the New Zealand Parole Board from a term of imprisonment and is subject to standard conditions of monitoring by a Probation Officer and may be subject to special conditions of a reintegrative or rehabilitative type.
Recidivism Index	An index, which quantifies the rate of re-offending of a specified group of offenders over a defined follow-up period (currently 12 and 24 months), following release from a custodial sentence or commencement of a community-based sentence.
Rehabilitation Quotient	Measures the effectiveness of rehabilitative and other interventions in reducing re-offending.
Reintegrative services	Programmes that are targeted at offenders and their families/whanau to assist offenders to reintegrate effectively back into the community and workforce on release from prison. These include programmes that address areas such as family functioning and social attitudes, and life skills.
Reintegrative support services	Community-based services which aim to increase wellbeing and self-reliance of offenders and their families/whanau by providing intensive integrated family/whanau support for offenders returning to the community to parent children. This service is provided in Auckland and Christchurch.
Release to work	An initiative which allows inmates nearing their release date, and who meet certain eligibility criteria, to be temporarily released during the day to work.
Remand inmate	An inmate who is held in custody before sentencing.
Responsivity/motivational programmes	Programmes that aim to enhance an offender's ability to participate in interventions. These programmes may target offenders' willingness to participate, learning style, culture, level of literacy, and/or drug and alcohol status. These programmes include Straight Thinking and Tikanga Māori.

Supervision

A community-based sentence requiring regular reporting to a Probation Officer, and possibly also including attendance at an appropriate programme dealing with the cause of offending.

Te Piriti

Special therapeutic unit at Auckland Prison that delivers group-based treatment within a therapeutic environment for male inmates with convictions for sexual offences against children.