

PART
2

**FINANCIAL STATEMENTS AND
STATEMENT OF
SERVICE PERFORMANCE**

PART 2 – 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 ended 30 June 2004 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 2003/04, which are being laid before the House of Representatives under section 9 of the Public Finance Act 1989.



Signed
Mark Byers
Chief Executive
14 April 2003



Countersigned
Richard Morris
Chief Financial Officer
14 April 2003

FINANCIAL SUMMARY

Financial Highlights

The following financial highlights for the Department of Corrections present a forecast of performance for the year ending 30 June 2004.

In 2003/2004 the Department of Corrections expects to earn income of:

- \$439.860 million in revenue from the Crown
- \$24.994 million in revenue from other sources.

Expenses of \$464.854 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:

- \$25.417 million (5.47 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;
- \$56.036 million (12.05 percent of the Vote) on management and delivery of community-based sentences and orders through sentence management and sentence compliance services;
- \$46.048 million (9.91 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;
- \$5.877 million (1.26 percent of the Vote) on the transportation of inmates to and from court and their custody while at court;
- \$241.430 million (51.94 percent of the Vote) on custodial services, the provision of facilities, and administering sentences of imprisonment;
- \$34.439 million (7.41 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;
- \$43.666 million (9.39 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;
- \$4.283 million (0.92 percent of the Vote) on services to the New Zealand Parole Board relating to the provision of administrative, financial and secretariat services;
- \$4.138 million (0.89 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;

- \$3.520 million (0.76 percent of the Vote) on contract management, national systems, inspectorate services and custodial assurance.

The Department will also receive a capital contribution of \$97.520 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 111.

The Department of Corrections manages a Government investment (through taxpayers' funds) of \$713.556 million and expects a negative net cash flow from operations and investment of \$107.075 million.

The financial information in pages 38 to 56 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

Financial highlights for the financial years ending 30 June 2003 and 30 June 2004

	2002/03 Budget \$000	2002/03 Estimated Actual \$000	2003/04 Budget \$000
Revenue: Crown	435,207	431,389	439,860
Revenue: Department	-	924	1,496
Revenue: Other	23,498	26,498	23,498
Interest	-	-	-
Output expenses	458,705	458,811	464,854
Net surplus/(deficit)	-	-	-
Taxpayers' funds	637,768	616,036	713,556
Net cash flows from operating and investing activities	(104,472)	(69,158)	(107,075)

STATEMENT OF FINANCIAL PERFORMANCE

Statement of financial performance for the financial years ending 30 June 2003 and 30 June 2004

	2002/03 Budget \$000	2002/03 Estimated Actual \$000	2003/04 Budget \$000
Revenue:			
Crown	435,207	431,389	439,860
Department	-	924	1,496
Other	23,498	26,498	23,498
Interest	-	-	-
Total Revenue	458,705	458,811	464,854
Output expenses:			
Personnel	216,143	220,257	225,872
Operating	146,936	144,948	135,974
Depreciation	45,000	45,000	46,500
Provisions	-	-	-
Loss arising from revaluation of land and buildings	-	-	-
Other output expenses	-	-	-
Capital charge	50,626	48,606	56,508
Total output expenses	458,705	458,811	464,854
Surplus/(deficit) from operations	-	-	-
Profit/(loss) on sale of physical assets	-	-	-
Other (non-output) expenses	-	-	-
Net surplus/(deficit)	-	-	-

STATEMENT OF FINANCIAL POSITION

Statement of financial position as at 30 June 2002, 30 June 2003 and 30 June 2004

	Actual Position As at 30 June 2002 \$000	Estimated Actual Position as at 30 June 2003 \$000	Projected Position as at 30 June 2004 \$000
Assets			
Current assets			
Cash and bank balances	56,972	37,837	28,282
Short-term deposits with the Crown	-	-	-
Pre-payments	502	600	600
Debtors and receivables	2,472	2,900	2,900
Inventory	3,240	3,500	3,500
Debtor Crown	-	-	-
Total current assets	63,186	44,837	35,282
Non-current assets			
Livestock	8,487	9,287	9,287
Investments	3,714	3,700	3,700
Long-term deposits with the Crown	-	-	-
Receivables and advances	-	-	-
Physical assets	568,391	635,212	742,287
Intangible assets	-	-	-
Total non-current assets	580,592	648,199	755,274
Total assets	643,778	693,036	790,556
Liabilities			
Current liabilities			
Creditors and payables	44,848	44,000	44,000
Capital charge payable	-	-	-
Provision for repayment of surplus	6,672	-	-
Provision for employee entitlements	23,957	24,000	24,000
Other current liabilities	-	-	-
Total current liabilities	75,477	68,000	68,000

STATEMENT OF FINANCIAL POSITION *continued*

	Actual Position As at 30 June 2002 \$000	Estimated Actual Position as at 30 June 2003 \$000	Projected Position as at 30 June 2004 \$000
Term liabilities			
Payables and provisions	-	-	-
Provision for employee entitlements	8,960	9,000	9,000
Other term liabilities	-	-	-
Total term liabilities	8,960	9,000	9,000
Total liabilities	84,437	77,000	77,000
Taxpayers' funds			
General funds	555,834	612,529	710,049
Revaluation reserves	3,507	3,507	3,507
Total taxpayers' funds	559,341	616,036	713,556
Total liabilities and taxpayers' funds	643,778	693,036	790,556

STATEMENT OF CASH FLOWS

Statement of cash flows for the financial years ending 30 June 2003 and 30 June 2004

	2002/03 Budget \$000	2002/03 Estimated Actual \$000	2003/04 Budget \$000
Cash flows from operating activities			
Cash provided from:			
Supply of outputs to:			
Crown	435,207	431,389	439,860
Departments	-	924	1,496
Other	23,498	26,070	23,498
Cash disbursed to:			
Output expenses	(363,079)	(364,479)	(361,846)
Capital charge	(50,626)	(48,606)	(56,508)
Other expenses	-	-	-
Net cash flows from operating activities	45,000	45,298	46,500
Cash flows from investing activities			
Cash provided from:			
Sale of investments	-	14	-
Sale of physical assets	2,000	2,550	1,950
Cash disbursed to:			
Purchase of investments	-	-	-
Purchase of physical assets	(151,472)	(117,020)	(155,525)
Net cash flows from investing activities	(149,472)	(114,456)	(153,575)
Cash flows from financing activities			
Cash provided from:			
Capital contribution from the Crown	84,339	56,695	97,520
Cash disbursed to:			
Payment of surplus to the Crown	-	(6,672)	-
Repayment of capital to the Crown	-	-	-
Net cash flows from financing activities	84,339	50,023	97,520
Net increase/(decrease) in cash held	(20,133)	(19,135)	(9,555)
Opening total cash balances at 1 July	25,837	56,972	37,837
Closing cash balances as of 30 June	5,704	37,837	28,282

RECONCILIATION OF NET OPERATING CASH FLOWS

Reconciliation of net surplus to net operating cash flows for the financial years ending 30 June 2003 and 30 June 2004

	2002/03 Budget \$000	2002/03 Estimated Actual \$000	2003/04 Budget \$000
Operating surplus/(deficit)	-	-	-
Add/(deduct) non-cash items			
Loss arising from the devaluation of land and buildings	-	-	-
Loss on sale of a fixed asset	-	-	-
Pension expenses	-	-	-
Unrealised foreign currency exchange (gain)/loss	-	-	-
Depreciation and amortisation	45,000	45,000	46,500
Other non-cash items	-	-	-
Add/(deduct) Working Capital movements			
(Increase)/decrease in inventories	-	(260)	-
(Increase)/decrease in debtors and receivables	-	(428)	-
(Increase)/decrease in debtor Crown	-	-	-
(Increase)/decrease in pre-payments	-	(98)	-
(Increase)/decrease in creditors and payables	-	1,001	-
(Increase)/decrease in capital charge payable	-	-	-
(Increase)/decrease in other accrued liabilities	-	-	-
(Increase)/decrease in employee entitlements	-	83	-
Other items	-	-	-
Net Working Capital movements	-	298	-
Net cash flows from operating activities	45,000	45,298	46,500

STATEMENT OF MOVEMENT IN TAXPAYERS' FUNDS (EQUITY)

Statement of movements in taxpayers' funds (equity) for the financial years ending 30 June 2003 and 30 June 2004

	Estimated Position as at 30 June 2003 \$000	Projected Position as at 30 June 2004 \$000
Taxpayers' funds at start of period	559,341	616,036
Add/(deduct) fundamental errors	-	-
Amended taxpayers' funds at start of period	559,341	616,036
Movements during the year (other than flows to and from the Crown)		
Add/(deduct) net surplus/(deficit)	-	-
Increase/(decrease) valuation reserves	-	-
Add/(deduct) currency translation difference	-	-
Other	-	-
Total recognised revenues and expenses for the period	-	-
Adjustment for flows to and from the Crown		
Add capital contributions from the Crown during the period	56,695	97,520
(Deduct) distributions to the Crown during the period	-	-
Capital withdrawals	-	-
Provision for payment of surplus to the Crown	-	-
Other	-	-
Add/(deduct)		
Asset/liability transfers between the Department and the Crown	-	-
Asset/liability transfers between departments	-	-
Total adjustments for flow to and from the Crown	-	-
Taxpayers' funds at end of period	616,036	713,556

DETAILS OF FIXED ASSETS

Details of fixed assets, by category, as at 30 June 2003 and 30 June 2004

	30 June 2003 Projected Position			30 June 2004 Projected Position		
	Cost	Accumulated Depreciation	Net Book Value	Cost	Accumulated Depreciation	Net Book Value
	\$000	\$000	\$000	\$000	\$000	\$000
Land	77,225	-	77,225	78,925	-	78,925
Forests	39,376	-	39,376	39,876	-	39,876
Buildings	475,766	26,500	449,266	607,791	54,700	553,091
Plant and equipment	26,745	18,919	7,826	30,245	21,719	8,526
Leasehold improvements	7,007	4,465	2,542	7,607	4,915	2,692
Furniture and fittings	7,932	4,939	2,993	9,132	5,239	3,893
Motor vehicles	29,790	15,191	14,599	30,790	16,691	14,099
Computer equipment	84,816	43,431	41,385	91,816	50,631	41,185
Total	748,657	113,445	635,212	896,182	153,895	742,287

STATEMENT OF OBJECTIVES

FINANCIAL PERFORMANCE

Financial performance indicators for the financial years ending 30 June 2003 and 30 June 2004

	Unit	2002/03 Budget	2002/03 Estimated	2003/04 Budget
Operating results				
Revenue other	\$000	23,498	26,498	23,498
Revenue department	\$000	-	924	1,496
Revenue interest	\$000	-	-	-
Output expenses	\$000	458,705	458,811	464,854
Other expenses	\$000	-	-	-
Operating surplus before capital charge	\$000	50,626	48,606	56,508
Net surplus/(deficit)	\$000	-	-	-
Working capital				
Liquid ratio		1 :3.07	1 :1.06	1 :1.38
Net current assets	\$000	(39,746)	(23,163)	(32,718)
Current ratio		1:3.89	1:1.52	1:1.93
Average debtors outstanding	days	61	37	45
Average creditors outstanding	days	32	32	32
Working capital as % of total taxpayers' funds	%	(6.2)	(3.8)	(4.6)
Resource utilisation				
Total physical assets at year-end	\$000	675,727	635,212	742,287
Additions as % of physical assets	%	22.4	18.1	21.0
Current assets as % of total assets	%	2.0	6.5	4.5
Taxpayers' funds:				
Level at year-end	\$000	637,768	616,036	713,556
Forecast net cash flows				
Surplus/(deficit) operating activities	\$000	45,000	45,298	46,500
Surplus/(deficit) investing activities	\$000	(149,472)	(114,456)	(153,575)
Surplus/(deficit) financing activities	\$000	84,339	50,023	97,520
Net increase/(decrease) in cash held	\$000	(20,133)	(19,135)	(9,555)

OUTPUT OPERATING STATEMENTS

The Department of Corrections is committed to providing output classes in 2003/2004 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 2004, and their associated revenue, expenses and surplus or deficit, are summarised in the table below.

Output operating statements for the financial year ending 30 June 2004.

Departmental Output Class	Description	Revenue Crown \$000	Revenue Depts \$000	Revenue Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000
Vote Corrections						
Output Class 1:	Provision of					
Information Services	psychological, pre-sentence, reparation, home leave and pre-release reports to courts and the Parole Board	25,417	-	-	25,417	-
Output Class 2:	Management and delivery of community-based sentences and orders through case management and sentence compliance services	56,036	-	-	56,036	-
Output Class 3:	Provision of					
Custody of Remand Inmates	facilities to hold people charged with offences, and people convicted for offences, but not yet sentenced	46,048	-	-	46,048	-
Output Class 4:	Transportation of					
Escorts and Custodial Supervision	inmates and their custody while at court	5,877	-	-	5,877	-
Output Class 5:	Provision of facilities and administering sentences of imprisonment	241,430	-	-	241,430	-

OUTPUT OPERATING STATEMENTS *continued*

Departmental Output Class	Description	Revenue Crown \$000	Revenue Depts \$000	Revenue Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000
Output Class 6:	Provision and					
Inmate	administration of	10,941	-	23,498	34,439	-
Employment	employment and related training activities					
Output Class 7:	Provision of prison					
Rehabilitative	and community-	42,170	1,496	-	43,666	-
Programmes	based rehabilitative					
and	and reintegrative					
Reintegrative	programmes					
Services						
Output Class 8:	Provision of					
Services to the	administrative,	4,283	-	-	4,283	-
New Zealand	financial, and					
Parole Board	secretariat services					
Output Class 9:	Development of					
Policy Advice	policies, and	4,138	-	-	4,138	-
and	Ministerial					
Development	servicing					
Output Class 10:	Contract management,					
Service	national systems	3,520	-	-	3,520	-
Purchase and	inspectorate services					
Monitoring	and custodial assurance					

SUPPORTING STATEMENTS

STATEMENT OF ACCOUNTING POLICIES for the Year Ending 30 June 2004

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 2003 to 30 June 2004. Comparative projected figures for the year ended 30 June 2003 are provided.

Measurement System

These financial statements have been prepared on the basis of modified historical cost.

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 to Outputs

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

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

Receivables

Receivables are 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 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 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	various	(various)
Hut complexes	25 years	(4%)
Hut fit-outs	various	(various)
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	various	(various)
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 capital work in progress, land or forests.

Inventory

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

Employee Entitlements

Provision is made in respect of the Department's liability for annual, long service and retirement leave. Annual leave 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 Performance, Statement of Movements in Taxpayers' Funds and Statement of Cashflows are exclusive of GST. The Statement of Financial Position is also exclusive of GST except for Creditors and Payables, and Debtors and Receivables, which are GST inclusive. All other statements are GST inclusive.

The amount of GST owing to the Inland Revenue Department at balance date, being the difference between output GST and input GST, is included in Creditors and Payables.

Taxation

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 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 2003/04 appearing in the Output Operating Statements in this report. The aggregate amount for all 10 output classes corresponds to “total output expenses” for 2003/04 in the Statement of Forecast Financial Performance table.
- The GST-inclusive amounts for each departmental output class correspond to the annual appropriations (in bold) for 2003/04 appearing in Part C1 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 2004

GST STATUS OF DEPARTMENTAL OUTPUT CLASSES

Departmental Output Classes	GST exclusive	GST	GST inclusive
	(SOI) \$000	\$000	(vote) \$000
Information Services	25,417	3,177	28,594
Community-based Sentences and Orders	56,036	7,005	63,041
Custody of Remand Inmates	46,048	5,757	51,805
Escorts and Custodial Supervision	5,877	734	6,611
Custodial Services	241,430	30,179	271,609
Inmate Employment	34,439	4,305	38,744
Rehabilitative Programmes	43,666	5,458	49,124
New Zealand Parole Board	4,283	535	4,818
Policy Advice and Development	4,138	517	4,655
Service Purchase and Monitoring	3,520	440	3,960
Total Departmental Output Class	464,854	58,107	522,961

SERVICE PERFORMANCE OBJECTIVES

– OUTPUT PERFORMANCE

for the year ending 30 June 2004

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 prisons. 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.

Sentencing Information and Advice to Courts

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of reports to courts ³ :	25,000-29,000	30,000-34,000
The number of hours for attendance at courts:	52,000-57,000	50,000-55,000
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:		
	95%	95%
<ul style="list-style-type: none"> • written reports in a specified format • 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.

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.

Parole Information and Advice to the New Zealand Parole Board

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of New Zealand Parole Board pre-release reports prepared for inmates:	4,400	4,181-4,619
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:	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 release the reports must identify whether statements are fact or opinion; findings are to be derived from the body of the report; recommendations are to address issues, be capable of being implemented and demonstrate that they will achieve the results required each inmate is involved in the development of his or her report reports for the New Zealand Parole Board are provided at least one month before the Board sits. 		
Timeliness		
The percentage of New Zealand Parole Board pre-release reports provided within the deadlines set by the Board:	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.

Home Leave Reports

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of home leave reports:	1,200-1,400	1,300-1,500
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%
<ul style="list-style-type: none"> • 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 a sentence under home detention.

Home Detention Assessments to the New Zealand Parole Board

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of home detention specialist reports:	3,000-3,600	2,200-2,400
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%
<ul style="list-style-type: none"> • 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%

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.

Psychological Service Information and Advice to Courts and the New Zealand Parole Board

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of New Zealand Parole Board reports:	570-630	570-630 ⁴
The number of reports to courts:	100	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%

⁴ Revised budget projections as amended through 2002/2003 Supplementary Estimates.

Costs for Output Class 1: Information Services

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$28.594 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)
2003/04 SOI	28,594	25,417	25,417	25,417	-
2002/03 Supp Ests	26,576	23,623	23,623	23,623	-
2002/03 SOI	27,107	24,095	24,095	24,095	-

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 and post-release conditions.

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 43,800 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.

The outcomes will be reported on in the Department's 2003/2004 Annual Report. This also relates to Output Class 5 and Output Class 7.

Output 2.1 – Supervision

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.

Supervision

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of supervision sentences:	5,800-6,800	5,300-6,300 ⁵
Quality		
The percentage of offenders who comply with the special conditions imposed as part of their sentence to be no less than:	68%	68%

⁵ Revised budget projections as amended through 2002/2003 Supplementary Estimates.

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.

Community Work

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of community work sentences:	28,000-30,000	28,400-30,400 ⁶
Quality		
The percentage of offenders who successfully complete a community work sentence to be no less than:	70%	70%

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.

Home Detention Orders

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of offenders directed to complete a home detention order:	1,500-1,700	1,400-1,500 ⁷
Quality		
The percentage of offenders on home detention with a sentence plan to address their rehabilitative needs, or are in employment, to be no less than:	98%	new standard

^{6,7} Revised budget projections as amended through 2002/2003 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.

Parole Orders

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of inmates directed to complete a parole order:	2,000-2,500	2,100-2,300 ⁸
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.

Orders for Post-release Conditions

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of inmates released on post-release conditions imposed by the court:	2,400-2,800	1,700-1,900 ⁹
Quality		
The percentage of offenders who comply with the conditions imposed as part of their order to be no less than:	65%	65%

^{8,9} Revised budget projections as amended through 2002/2003 Supplementary Estimates.

Costs for Output Class 2: Community-based Sentences and Orders

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$63.041 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)
2003/04 SOI	63,041	56,036	56,036	56,036	-
2002/03 Supp Ests	60,076	53,401	53,401	53,401	-
2002/03 SOI	58,872	52,330	52,330	52,330	-

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 8,657 new remand inmates, representing an average prison population of 943 remand inmates. This demand is met by approximately 1,017 beds across 16 remand facilities with any overflow accommodated in segregated custodial facilities.

Output 3.1 – Custody of Remand Inmates

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

Custody of Remand Inmates

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of remand inmates held by the		
• Auckland Central Remand Prison:	257	257
• Public Prisons Service:	686	672
Quality		
The number of breakouts per annum to be no more than:	2	2
The number of all other escapes per annum to be no more than:	1	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 2004

Outputs in this class will be provided within the appropriated sum of \$51.805 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)
2003/04 SOI	51,805	46,048	46,048	46,048	-
2002/03 Supp Ests	54,546	48,485	48,485	48,485	-
2002/03 SOI	51,314	45,612	45,612	45,612	-

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.

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	
	2003/2004	2002/2003
Escort Services		
Quantity		
The number of inmates escorted to and from court in		
• Northland/Auckland (including Police escorts) ¹⁰ :	26,487-29,011	23,305-25,525
• remainder of New Zealand (excluding Police escorts) ¹¹ :	7,835-8,648	7,835-8,648
Quality		
The number of escapes by inmates during escort to and from court to be no more than:		
	1	1

¹⁰ Provided by the PECCS contract

¹¹ Provided by Public Prisons Service

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.

Courtroom Custodial Supervision Services

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of inmates supervised in courts in		
• Northland/Auckland ¹² :	5,944-6,558	5,230-5,770
• the remainder of New Zealand ¹³ :	8,512-9,388	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

Costs for Output Class 4: Escorts and Custodial Supervision

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$6.611 million (inclusive of GST).

Year	Cost		Total	Revenue	Revenue
	(GST inclusive)	(GST exclusive)	Revenue (GST exclusive)	Crown (GST exclusive)	Other (GST exclusive)
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2003/04 SOI	6,611	5,877	5,877	5,877	-
2002/03 Supp Ests	6,129	5,448	5,448	5,448	-
2002/03 SOI	6,665	5,924	5,924	5,924	-

¹² Provided by the PECCS contract

¹³ Provided by Public Prisons Service

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 7,211 new inmates, representing an average prison population of 4,823 inmates. This requires the provision of approximately 5,384 beds and associated facilities at 19 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 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.

These outcomes relate to sentenced inmates (men and women).

Output 5.1 – Custodial Services – Maximum Security Men

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

Custodial Services – Maximum Security Men

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of maximum security sentenced inmates:	130	172
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:	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:	0	0
The number of non-returns from temporary release per annum:	0	0
The number of all other escapes per annum:	0	0

Output 5.2 – Custodial Services – 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.

Custodial Services – Medium Security Men

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of medium security sentenced inmates:	2,329	2,425
Quality		
The percentage of sentence 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:	3	4
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:	12	14

Output 5.3 – Custodial Services – 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.

Custodial Services – Minimum Security Men

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of minimum security sentenced inmates:	2,000	2,033
Quality		
The percentage of sentence 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:	14	16
The number of all other escapes per annum to be no more than:	12	16

Output 5.4 – Custodial Services – Women

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

Custodial Services – Women

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of maximum security sentenced inmates:	1 ¹⁴	4
The average number of medium security sentenced inmates:	78	102
The average number of minimum security sentenced inmates:	151	139
Quality		
The percentage of sentence 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:	1	2
The number of all other escapes per annum to be no more than:	1	2

¹⁴ The Department is reviewing the classification of women inmates, which may eliminate the current maximum classification.

Output 5.5 – Custodial Services – Male Youth

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 care¹⁵.

Custodial Services – Male Youth

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The average number of male sentenced and remand inmates held in youth units:	134	129
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%
<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 from youth units to be:	0	0
The number of all other escapes per annum from youth units to be:	0	0

¹⁵ 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 (unless such placement is not in an offender's best interests) as well as vulnerable 18- and 19-year-old male inmates in specialist youth units as planned dedicated facilities come available.

Output 5.6 – Custodial Services – 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.

Custodial Services – Drug Reduction

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of general random programme drug screening tests carried out to be no less than:	2,470-2,700	2,470-2,700
The number of random drug screening tests carried out on inmates returning from temporary release to be no less than:	365-408	365-408
The number of random drug screening tests carried out on identified drug users to be no less than:	1,584-1,750	1,584-1,750
The number of other drug screening tests carried out to be no less than ¹⁶ :	3,991-4,442	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%	17%
The annual average percentage of random drug screening tests of inmates returning from temporary release producing a positive result:	to be reported ¹⁷	to be reported
The annual average percentage of random drug screening tests of identified drug users producing a positive result:	to be reported ¹⁷	to be reported

¹⁶ Other drug screening tests are defined as those undertaken on either "reasonable grounds" or on a voluntary basis.

¹⁷ The effectiveness of these two measures showing the average annual percentage of positive tests returned will be reported in both the Department's 2002/2003 and 2003/2004 Annual Reports. These two measures do not lend themselves to setting of performance standards to be achieved.

Costs for Output Class 5: Custodial Services

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$271.609 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)
2003/04 SOI	271,609	241,430	241,430	241,430	-
2002/03 Supp Ests	264,774	235,355	235,355	235,355	-
2002/03 SOI	277,063	246,278	246,278	246,278	-

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 toward 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 of 5.7 million hours represents a 90 percent achievement of that goal. In addition, 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	
	2003/04	2002/03
Land-based activities	1,449,250	1,449,250
Manufacturing activities	1,130,820	1,130,820
Internal service self-sufficiency activities	3,000,000	3,000,000
Release to work	84,600	84,600
Vocational training services	1,125	1,125
Community service	80,000	80,000

Quality (External Qualifications)	Performance Standard	
	2003/04	2002/03
Land-based activities	40%	40%
Manufacturing activities	40%	40%
Internal service self-sufficiency activities	40%	40%
Release to work	N/A	N/A
Vocational training services	40%	40%
Community service	40%	40%

Output 6.1 – Inmate Employment – 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.

Inmate Employment – Land-based Activities

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of hours worked by inmates employed on land-based activities:	1,449,250	1,449,250
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ¹⁸ :	40%	40%

Output 6.2 – Inmate Employment – Manufacturing Activities

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

Inmate Employment – Manufacturing Activities

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of hours worked by inmates employed on manufacturing activities:	1,130,820	1,130,820
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ¹⁹ :	40%	40%

^{18,19} An externally recognised qualification is an 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 – Inmate Employment – 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.

Inmate Employment – Internal Service Self-sufficiency Activities

	Performance 2003/2004	Standard 2002/2003
Quantity		
The number of hours worked by inmates on internal service self-sufficiency activities:	3,000,000	3,000,000
Quality		
The percentage of inmates undertaking inmate employment who receive an externally recognised qualification ²⁰ :	40%	40%

Output 6.4 – Inmate Employment – 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.

Inmate Employment – Release-to-Work

	Performance 2003/2004	Standard 2002/2003
Quantity		
The number of hours worked by inmates on release-to-work activities:	84,600	84,600 ²¹
Quality		
The percentage of inmates undertaking release-to-work activities who meet the eligibility criteria:	100%	new standard

²⁰ An externally recognised qualification is an 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.

²¹ In 2002/2003 community services and release-to-work were combined in Output Class 6.4. The combined standard for the number of hours worked by inmates was 164,600. This was made up of 84,600 hours for release-to-work and 80,000 hours for community services.

Output 6.5 – Inmate Employment – 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.

Inmate Employment – Vocational Training Services

	Performance Standard	
	2003/2004	2002/2003
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 ²³ :	40%	40%

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 the prison during the day in supervised work parties benefiting local communities.

Inmate Employment – Community Services

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of hours worked by inmates on community service:	80,000	80,000 ²⁴
The average number of inmates engaged on community services:	160	new standard
Quality		
The percentage of inmates who have undertaken community service and have received a work certificate or record of achievement from the Department upon their release, to be no less than:	100%	new standard

²³ An externally recognised qualification is an 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.

²⁴ In 2002/2003 community services and release to work were combined in Output Class 6.4. The combined standard for the number of hours worked by inmates was 164,600. This was made up of 84,600 hours for release to work and 80,000 hours for community services.

Costs for Output Class 6: Inmate Employment

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$38.744 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)
2003/04 SOI	38,744	34,439	34,439	10,941	23,498
2002/03 Supp Ests	42,214	37,523	37,523	11,025	26,498
2002/03 SOI	38,760	34,453	34,453	10,995	23,498

OUTPUT CLASS 7: REHABILITATIVE PROGRAMMES AND REINTEGRATIVE SERVICES

This output class provides:

- rehabilitative programmes to improve an offender's 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/whanau. 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:

- reimprisoned 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
- 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: Rehabilitative Programmes – Responsivity/Motivational

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. For example:

- Straight Thinking which aims to improve the critical reasoning required for effective social integration
- tikanga Māori programmes, delivered to community-based offenders, remand and sentenced inmates (including youth in specialist male youth units). The 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 delivered in the faith-based unit at Rimutaka prison.

Rehabilitative Programmes – Responsivity/Motivational

	Performance Standard	
	2003/2004	2002/2003
STRAIGHT THINKING		
Quantity		
The number of hours offenders spend attending a Straight Thinking programme		
• Public Prisons Service:	69,300	69,300
• Community Probation Service:	82,880	82,880
The number of offenders who start a Straight Thinking programme		
• Public Prisons Service:	990	990
• Community Probation Service:	1,184	1,184
Quality		
The percentage of offenders who start and complete a Straight Thinking programme to be no less than		
• Public Prisons Service:	80%	80%
• Community Probation Service:	65%	65%

Rehabilitative Programmes – Responsivity/Motivational continued

	Performance Standard	
	2003/2004	2002/2003
TIKANGA MĀORI PROGRAMMES		
Quantity		
The number of offenders who start a tikanga Māori programme		
• Public Prisons Service:	943	943
• Community Probation Service:	523	523
Quality		
The percentage of offenders who start and complete a tikanga Māori programme to be no less than		
• Public Prisons Service:	75%	75%
• Community Probation Service:	65%	65%
FAITH-BASED UNIT		
Quantity		
The average number of sentenced inmates in a faith-based unit:		
	60	new standard
Quality		
The minimum average occupancy rate:		
	95%	new standard

Output 7.2 – Rehabilitative Programmes – Criminogenic

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

- 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 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), Structured Individual Programmes (SIP);
- Māori therapeutic programmes involving alcohol and 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.

Rehabilitative Programmes – Criminogenic

	Performance Standard	
	2003/2004	2002/2003
CRIMINOGENIC PROGRAMMES		
Quantity		
The number of hours offenders spend attending a criminogenic programme		
• Public Prisons Service:	119,800	119,800
• Community Probation Service:	71,925	77,125
The number of offenders who start a criminogenic programme		
• Public Prisons Service:	700	700
• Community Probation Service:	783	835
Quality		
The percentage of offenders who start and complete a criminogenic programme		
• Public Prisons Service:	75%	75%
• Community Probation Service:	65%	65%

Rehabilitative Programmes – Criminogenic continued

	Performance 2003/2004	Standard 2002/2003
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
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
Quality		
The percentage of programmes completed at Kia Marama and Te Piriti where all the components described in the service description were completed:		
	100%	100%
<ul style="list-style-type: none"> • 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 per year:		
	3	3
The percentage of offenders who start and complete a violence prevention programme at Rimutaka prison:		
	70% ²⁵	100%

²⁵ This standard has been revised to take into account the percentage of estimated non-completions.

Rehabilitative Programmes – Criminogenic continued

	Performance Standard	
	2003/2004	2002/2003
EQUIP		
Quantity		
The number of EQUIP programme hours provided to youth:	3,840	new standard
The number of youth who start an EQUIP programme:	134	129
Quality		
The percentage of sentenced youth in youth units who participate in an EQUIP programme:	98%	new standard
MĀORI THERAPEUTIC PROGRAMMES		
Quantity		
The number of hours inmates spend attending Māori therapeutic programmes:	21,600	14,400
The number of inmates who start a Māori therapeutic programme:	300	200
Quality		
The percentage of inmates who start and complete Māori therapeutic programmes to be no less than:	75%	75%

Output 7.3 – Rehabilitative Programmes – 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.

Rehabilitative Programmes – Other Rehabilitative Programmes and Activities

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of hours offenders spend attending other rehabilitative programmes funded by Probation and Offender Services:	80,000-110,000	90,000-115,000
Quality		
The percentage of offenders who start and complete a rehabilitative programme funded by Probation and Offender Services to be no less than:	65%	new standard

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, 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.

Education and Training

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of hours inmates spend attending a module under the NCES:	236,560	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.

Reintegrative Services

	Performance Standard	
	2003/2004	2002/2003
WHANAU LIAISON SERVICE		
Quantity		
The number of offenders and their families/whanau receiving the whanau liaison service will be no less than:	257	206
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%	new standard
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 service 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 will be no more than:	40,098	40,098
Quality		
The percentage of referrals (urgent or otherwise) to NZPARS per month acknowledged within five working days of receipt:	95%	95%

Reintegrative Services continued

	Performance Standard	
	2003/2004	2002/2003
REINTEGRATIVE SUPPORT SERVICES		
Quantity		
The number of offenders and their families/whanau receiving the service will 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%

Output 7.6 – Community Residential Centres and Reducing Youth Offending Programmes

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

Community Residential Centres and Reducing Youth Offending Programmes

	Performance Standard	
	2003/2004	2002/2003
COMMUNITY RESIDENTIAL CENTRES		
Quantity		
The number of offenders directed to attend a community residential centre:	72-92	40-60 ²⁶
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 following information elements were assessed:	100%	100%
The percentage of post-programme assessments for Montgomery House programmes completed by a psychologist:	100%	100%
The percentage of clinical monitoring reports for Montgomery House programmes that adhere to the standards:	100%	100%
The percentage of clinical monitoring reports for Montgomery House programmes provided within agreed timeframes:	100%	100%
REDUCING YOUTH OFFENDING PROGRAMMES		
Quantity		
The number of youth who are directed to attend a Reducing Youth Offending programme:	100-130	new standard
Quality		
The percentage of youth who successfully undertake a Reducing Youth Offending programme order to be no less than:	70%	new standard

²⁶ The 2003/2004 figure did not include Montgomery House, which catered for another 32 offenders.

Output 7.7 – Provision of Psychological Services

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.

Provision of Psychological Services

	Performance Standard	
	2003/2004	2002/2003
PSYCHOLOGICAL SERVICES		
Quantity		
The number of psychological consultation hours provided to the		
• Public Prisons Service:	9,834	9,834
• Community Probation Service ²⁶ :	12,000	12,000
The number of psychological reports provided to the		
• Public Prisons Service:	840-900	840-900
• Community Probation Service:	1,020-1,060	1,020-1,060
Quality		
The percentage of psychological consultations which meet the following standards to be no less than:		
	95%	95%
<ul style="list-style-type: none"> • 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 outlined below to be no less than:		
	95%	95%
<ul style="list-style-type: none"> • 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. 		

²⁶ Includes supervision and other activities supporting assessment and treatment functions.

Provision of Psychological Services continued

	Performance Standard	
	2003/2004	2002/2003
BICULTURAL THERAPY MODEL		
Quantity		
The number of consultation hours provided by Māori service providers under the Bicultural Therapy Model:	4,000	4,000
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. 		

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.

Chaplaincy Services

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of full time equivalent chaplains in prisons:	26	new standard
Quality		
The percentage of chaplaincy service reports provided to Public Prisons		
Service within the agreed timeframes:	100%	new standard

Costs for Output Class 7: Rehabilitative Programmes and Reintegrative Services

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$49.124 million (inclusive of GST).

Year	Cost		Total	Revenue	Revenue
	(GST inclusive) (\$000)	(GST exclusive) (\$000)	Revenue (GST exclusive) (\$000)	Crown (GST exclusive) (\$000)	Department (GST exclusive) (\$000)
2003/04 SOI	49,124	43,666	43,666	42,170	1,496
2002/03 Supp Ests	48,369	42,994	42,994	42,070	924
2002/03 SOI	45,088	40,078	40,078	40,078	-

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

Services to the New Zealand Parole Board

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of cases considered by the New Zealand Parole Board to be:	6,500	6,500 ²⁷
Quality		
The percentage of offenders or victims notified of an impending hearing at least 10 working days before a hearing:	90%	90%
The percentage of offenders or victims notified of a Board decision within 10 working days after a hearing:	90%	90%
The percentage of papers for home detention (deferred sentences) hearings provided to the Board at least five working days before a hearing:	90%	90%
The percentage of all other papers for each hearing provided to the Board at least 10 working days before a hearing:	90%	90%
The scheduling of cases to be heard by the Board to be within the timeframe specified in the Parole Act 2002:	100%	100%

²⁷ Revised budget projections as amended through 2002/2003 Supplementary Estimates.

Costs for Output Class 8: Services to the New Zealand Parole Board

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$4.818 million (inclusive of GST).

Year	Cost	Cost	Total	Revenue	Revenue
	(GST inclusive) (\$000)	(GST exclusive) (\$000)	Revenue (GST exclusive) (\$000)	Crown (GST exclusive) (\$000)	Other (GST exclusive) (\$000)
2003/04 SOI	4,818	4,283	4,283	4,283	-
2002/03 Supp Ests	4,830	4,293	4,293	4,293	-
2002/03 SOI	3,375	3,000	3,000	3,000	-

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.

Output 9.1 – Policy Advice and Development Services

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

Policy Advice and Development Services

	Performance Standard	
	2003/2004	2002/2003
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 set• the assumptions behind the advice are explicit, and the argument is logical and supported by the facts• the facts in the paper are accurate and all material facts have been included• an adequate range of options has been presented and each has been assessed for benefits, costs and consequences to the Government and the community• there is evidence of adequate consultation with interested parties and possible objections to proposals have been identified• the problems of implementation, technical feasibility, timing and consistency with other policies have been considered• the format meets Cabinet Office requirements, the material is effectively and concisely summarised, has short sentences in plain English and is free of spelling or grammatical errors.		
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.

Ministerial Servicing

	Performance Standard	
	2003/2004	2002/2003
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:	500	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:	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.

Provision of Psychological and other Research

	Performance Standard	
	2003/2004	2002/2003
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 appropriately • data collection is to meet appropriate standards of research design, and appropriate analysis tools are to be used • the results are accurately and clearly described • there is concise and thorough explanation of the implications of the results for the issues investigated • the research should be peer reviewed both internally and externally • the report is written in a format appropriate to the audience • the aims of the paper are accurate and all material facts have been included • the material is free of spelling or grammatical errors and an executive summary is provided if the report exceeds five pages • when possible the material is published within internationally recognised journals. 		

Costs for Output Class 9: Policy Advice and Development

for the year ending 30 June 2004

Outputs in this class will be provided within the appropriated sum of \$4.655 million (inclusive of GST).

Year	Cost		Total	Revenue	Revenue
	(GST inclusive)	(GST exclusive)	Revenue (GST exclusive)	Crown (GST exclusive)	Other (GST exclusive)
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
2003/04 SOI	4,655	4,138	4,138	4,138	-
2002/03 Supp Ests	4,673	4,154	4,154	4,154	-
2002/03 SOI	4,186	3,721	3,721	3,721	-

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 four internal providers of corrections services (Public Prisons Service, Community Probation Service, Psychological Service and Corrections Inmate Employment)
- services purchased from external providers, in particular with Australasian Correctional Management Limited and New Zealand Prisoners' Aid and Rehabilitation Society
- interagency agreements, in particular the agreements with Child, Youth and Family and the Department for Courts, and memoranda of understanding with New Zealand Police, Ministry of Social Development, ACC, Ministry of Health, Inland Revenue Department, Ministry of Housing, New Zealand Parole Board, NZ 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.

Purchase and Monitoring of Service Delivery

	Performance Standard	
	2003/2004	2002/2003
INTERAGENCY AGREEMENTS		
Quantity		
The number of interagency agreements managed by Corporate Management:	12	11
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%

Purchase and Monitoring of Service Delivery continued

	Performance Standard	
	2003/2004	2002/2003
INTERNAL PURCHASE AGREEMENTS AND EXTERNAL CONTRACTORS		
Quantity		
The number of Internal Purchase Agreements with internal providers:	4	4
The number of contracts for services with external providers negotiated and managed by Corporate Management:	3	2
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 are as specified • the manner, timing and form of reporting is as laid down. 		

Purchase and Monitoring of Service Delivery continued

	Performance Standard	
	2003/2004	2002/2003
COMMUNITY FUNDING CONTRACTS		
Quantity		
The number of community funding contracts to be negotiated with external providers:	100-120	138
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%

Purchase and Monitoring of Service Delivery continued

	Performance 2003/2004	Standard 2002/2003
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 and that meet the following standards:	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 contracts for services with community residential centres 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 are as specified • the manner, timing and form of reporting is as laid down. 		

Output 10.2 – Provision of Inspectorate Services

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

Provision of Inspectorate Services

	Performance Standard	
	2003/2004	2002/2003
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:		
• to a quality which satisfies the Assurance Board	100%	100%
• 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%

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.

Provision of National Systems Services

	Performance Standard	
	2003/2004	2002/2003
Quantity		
The number of information transactions with external agencies:	8,000-10,000	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 2004

Outputs in this class will be provided within the appropriated sum of \$3.960 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)
2003/04 SOI	3,960	3,520	3,520	3,520	-
2002/03 Supp Ests	3,977	3,535	3,535	3,535	-
2002/03 SOI	3,616	3,214	3,214	3,214	-

