



PART B: STATEMENT OF SERVICE PERFORMANCE

CONTENTS

Statement of Responsibility	24
Audit NZ Report	25
Statement of Service Performance	
Information and Administrative Services to the Judiciary and the New Zealand Parole Board	27
Management of Third Party Custodial Services	30
Policy Advice and Ministerial Services	31
Prison-Based Custodial Services	33
Rehabilitation and Reintegrative Services	38
Sentences and Orders Served in the Community	42
Notes to Performance Measures	45

STATEMENT OF RESPONSIBILITY

In terms of the Public Finance Act 1989, section 45C, I am responsible, as Chief Executive of the Department of Corrections, for the preparation of the Department's financial statements and statement of service performance, and for the judgements made in these statements.

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

In my opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the Department for the year ended 30 June 2011.

Signed



Ray Smith

Chief Executive

30 September 2011

Countersigned



Sean Mahony

Chief Financial Officer

30 September 2011

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

TO THE READERS OF DEPARTMENT OF CORRECTIONS' FINANCIAL STATEMENTS AND THE NON-FINANCIAL PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2011

The Auditor-General is the auditor of Department of Corrections (the Department). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the non-financial performance information of the Department on her behalf.

We have audited:

- > the financial statements of the Department on pages 47 to 86, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2011, the statement of comprehensive income, statement of changes in taxpayers' funds, statement of departmental expenses and capital expenditure against appropriations, statement of unappropriated expenditure and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- > the non-financial performance information of the Department that comprises the statement of service performance on pages 27 to 45 and the report about outcomes on pages 10 to 19.

OPINION

In our opinion:

- > the financial statements of the Department on pages 47 to 86:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the Department's:
 - financial position as at 30 June 2011;
 - financial performance and cash flows for the year ended on that date;
 - expenses and capital expenditure incurred against each appropriation administered by the Department and each class of outputs included in each output expense appropriation for the year ended 30 June 2011; and
 - unappropriated expenses and capital expenditure for the year ended 30 June 2011. [and]
- > the non-financial performance information of the Department on pages 10 to 19 and pages 27 to 45:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the Department's service performance and outcomes for the year ended 30 June 2011, including for each class of outputs:
 - its service performance compared with the forecasts in the statement of forecast service performance at the start of the financial year; and
 - its actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 30 September 2011. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and our responsibilities, and we explain our independence.

BASIS OF OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the non-financial performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and the non-financial performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Department's preparation of the financial statements and the non-financial performance information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.

An audit also involves evaluating:

- > the appropriateness of accounting policies used and whether they have been consistently applied;
- > the reasonableness of the significant accounting estimates and judgements made by the Chief Executive;
- > the appropriateness of the reported non-financial performance information within the Department's framework for reporting performance;
- > the adequacy of all disclosures in the financial statements and the non-financial performance information; and
- > the overall presentation of the financial statements and the non-financial performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the non-financial performance information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

RESPONSIBILITIES OF THE CHIEF EXECUTIVE

The Chief Executive is responsible for preparing:

- > financial statements and non-financial performance information that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the Department's financial position, financial performance, cash flows, expenses and capital expenditure incurred against each appropriation and its unappropriated expenses; and
 - fairly reflect its service performance and outcomes

The Chief Executive is also responsible for such internal control as is determined is necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

RESPONSIBILITIES OF THE AUDITOR

We are responsible for expressing an independent opinion on the financial statements and the non-financial performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

INDEPENDENCE

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

In addition to the audit we have carried out four independent probity and quality assurance reviews over three tender processes and the selection process for the private-public partnership. These areas are compatible with those independence requirements.

Other than the audit and these assignments, we have no relationship with or interests in the Department.



C. Ramoo

Audit New Zealand

On behalf of the Auditor-General
Wellington, New Zealand

INFORMATION AND ADMINISTRATIVE SERVICES TO THE JUDICIARY AND THE NEW ZEALAND PAROLE BOARD

This appropriation is limited to the provision of information about offenders to victims of crime, the Judiciary and the New Zealand Parole Board, and the provision of administrative, financial and secretariat services to the New Zealand Parole Board.

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

	2009/10	2010/11		
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	53,851	65,576	63,084	65,583
Departmental	366	514	454	507
Total Revenue	54,217	66,090	63,538	66,090
Total Expenses	54,132	62,109	63,538	66,090
Net Surplus	85	3,981	–	–

OUTPUT: INFORMATION SERVICES TO JUDICIARY

This output focuses on the preparation of reports that provide sentencing judges with information about offenders, to assist with the sentencing process. This service includes attendance at court, prosecutions, and attendance at sentencing resulting from Community Probation Service initiated proceedings. This output supports the Judiciary to make informed decisions.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Probation Officer full-time equivalents required to complete court related tasks:				
– Probation reports	219	179	206	15%
– Court attendance	68	60	74	23%
Percentage of reports provided to court at least two working days before sentencing:				
– Probation reports	93%	95%	94%	(1%)
– Psychological reports	99%	100%	98%	(2%)
Percentage of reports provided to the Judiciary that meet agreed standards				
– Probation reports	New measure for 2011/12	New measure for 2011/12 ⁷	94%	–

⁷ As this is a new external performance measure for 2011/12, no budget standards were set for the 2010/11 year. However the Department had data available for the 2010/11 year, and the actual figures are provided. This applies to all subsequent new measures for 2011/12.

Activity Information	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of reports provided to courts:				
- Probation reports	59,334	46,673	58,017	24%
- Psychological reports	111	150	118	(21%)
Number of court attendance hours	92,888	91,017	101,895	12%
Number of court applications submitted for Extended Supervision Order conditions	New measure for 2010/11	34	37	9%

COMMENTS:

The number of Probation Officer full-time equivalents required to complete court related tasks exceeded the budget standard due to actual volumes being greater than the 2009 volumes which the Department was funded for.

The number of psychological reports to court was 21 percent less than the standard expected; these reports are demand driven and are outside of the control of the Department.

OUTPUT: INFORMATION SERVICES TO THE NEW ZEALAND PAROLE BOARD (NZPB)

This output focuses on ensuring reports provide information to the NZPB to assist with decisions regarding a prisoner's release from prison. The Department also provides progress reports to the NZPB on offender compliance with the conditions of their parole orders. This output supports the NZPB to make informed decisions.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of Probation Officer full-time equivalents required to complete the NZPB reports and Extended Supervision Order applications	40	33	41	24%
Percentage of reports provided to agreed timeframes pursuant to the NZPB requirements (see note 1):				
- Psychological reports	99%	100%	100%	0%
- Parole progress reports	51%	95%	93%	(2%)
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Number of reports prepared and provided to the NZPB:				
- Parole assessment reports	5,928	5,290	6,626	25%
- Probation reports	465	476	508	7%
- Psychological reports	1,112	1,258	1,216	(3%)
Number of the NZPB Applications submitted for Extended Supervision Order conditions	32	32	34	6%

COMMENTS:

The number of Probation Officer full-time equivalents required to complete the NZPB reports and Extended Supervision Order applications was over the budget standard expected due to the increase in the number of probation reports prepared and provided to the NZPB.

The number of parole assessment reports is 25 percent over the budget standard expected, largely due to the increased number of offenders appearing in front of the NZPB. The number of reports provided to the NZPB is demand driven and is dependent on the number of requests from the NZPB.

OUTPUT: INFORMATION AND ADMINISTRATIVE SERVICES TO VICTIMS

This output focuses on the administration of victim notification services. The Department has a responsibility to notify eligible victims about specific events, as detailed in the Victims' Rights Act 2002. The New Zealand Police refer details of eligible victims to the Department.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of justified complaints about notification services received from registered victims	Nil	Nil	Nil	0%
Percentage of all registered victims who are notified as per Department and legislative requirements	100%	100%	100%	0%
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Number of referrals from the New Zealand Police	537	600	731	22%

COMMENTS:

The number of referrals from the New Zealand Police was 22 percent over the standard expected. The referrals are driven by the New Zealand Police; as such the Department has no direct control over the number of referrals received. The Department has received no justified complaints during the 2010/11 financial year and has notified all registered victims as per Department and legislative requirements.

OUTPUT: ADMINISTRATIVE SERVICES TO THE NEW ZEALAND PAROLE BOARD (NZPB)

The Department provides administrative services to the New Zealand Parole Board.

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Percentage of all cases scheduled to be heard by the NZPB that are scheduled no later than 16 weeks from the date of the hearing	100%	100%	100%	0%
Percentage of offenders who are notified as per the NZPB requirements (see note 2)	New measure for 2010/11	100%	100%	0%
Percentage of victims who are notified as per the NZPB requirements (see note 3)	New measure for 2010/11	100%	98%	(2%)
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Number of NZPB hearings where administrative support was provided	8,597	8,500	9,058	7%

MANAGEMENT OF THIRD PARTY CUSTODIAL SERVICES

This appropriation is limited to preparing for and managing contracts for the provision of custodial services by third parties.

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

	2009/10	2010/11		
	Actual \$000	Actual \$000	Main Estimates \$000	Supp. Estimates \$000
REVENUE				
Crown	1,000	24,956	12,900	24,946
Departmental	–	–	–	10
Total Revenue	1,000	24,956	12,900	24,956
Total Expenses	734	24,261	12,900	24,956
Net Surplus	266	695	–	–

OUTPUT: WIRI PRISON PUBLIC-PRIVATE PARTNERSHIPS

This output covers the Public-Private Partnership (PPP) project and the subsequent contract management of the prison for the provision of custodial services.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Complete the development and approval of Wiri Prison Stage Two Public-Private Partnerships business case	New measure for 2010/11	Achieved	Achieved November 2010	Nil
Complete and issue the Expression of Interest	New measure for 2010/11	Achieved	Achieved November 2010	Nil
Complete and issue the Request for Proposal	New measure for 2010/11	Achieved	Achieved March 2011	Nil

OUTPUT: CONTRACT MANAGEMENT OF PRISONS

This output covers the contract management of an existing prison for the provision of custodial services.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Execute the contract for Contract Management of Prisons (see note 4)	New measure for 2010/11	Achieved	Achieved January 2011	Nil
Commence the transition for Contract Management of Prisons (see note 5)	New measure for 2010/11	Achieved	Achieved February 2011	Nil

COMMENTS:

The performance measures for this output will be significantly different for the 2011/12 year as the contract management of prisons moves from the establishment phase into an operational phase.

POLICY ADVICE AND MINISTERIAL SERVICES

This appropriation is limited to the provision of ministerial services, the development of policies and the provision of policy advice.

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

	2009/10	2010/11		
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	5,463	5,025	5,141	5,016
Departmental	43	42	46	51
Total Revenue	5,506	5,067	5,187	5,067
Total Expenses	5,109	4,868	5,187	5,067
Net Surplus	397	199	-	-

OUTPUT: POLICY ADVICE

The Department provides advice and develops policies that contribute to service delivery, including policies that improve outcomes for Māori and Pacific peoples, and the development of effective criminal justice sector legislation. Services also include the development of standards, the analysis of trends in the offender population, and the evaluation of the impact of programmes to reduce re-offending.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Percentage of advice provided according to the work programme agreed with the Minister of Corrections	100%	95%	100%	5%
Percentage of advice delivered to the Minister of Corrections that meets agreed standards	99%	95%	100%	5%
Percentage of policy advice delivered to the Minister of Corrections within agreed timelines	100%	95%	100%	5%

OUTPUT: MINISTERIAL SERVICES

The Department provides responses to ministerial correspondence and parliamentary questions.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Percentage of all responses to parliamentary questions that are completed within five working days	98%	100%	100%	0%
Percentage of responses to ministerial draft correspondence that are completed within:				
- 15 working days	94%	95%	97%	2%
- 20 working days	New measure for 2010/11	100%	99%	(1%)
Percentage of ministerial draft correspondence that is signed without changes	92%	90%	86%	(4%)
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Number of written responses prepared	895	850	867	2%

PRISON-BASED CUSTODIAL SERVICES MCOA⁸

CUSTODY OF REMAND PRISONERS

This output class is limited to the provision of custodial services for remand prisoners (people awaiting trial, and offenders convicted but not yet sentenced).

CUSTODY OF SENTENCED PRISONERS

This output class is limited to the provision of custodial services for offenders sentenced to imprisonment.

The overall average prison population for the 2010/11 financial year was 8,712 prisoners, two percent under the 2009-2017 Criminal Justice Forecast⁹ (prison population); this peaked at 8,853 prisoners on 1 November 2010, an all time high.

The average remand prison population for the 2010/11 financial year was 1,890 prisoners, seven percent under the 2009-2017 Criminal Justice Forecast. The number of prisoners held in custody on remand is influenced by rates of arrest and decisions of the Judiciary and as such is outside the direct control of the Department.

The average sentenced prison population for the 2010/11 financial year was 6,822 prisoners, similar to the 2009-2017 Criminal Justice Forecast.

OUTPUT CLASS STATEMENT: CUSTODY OF REMAND PRISONERS

For the year ended 30 June 2011

	2009/10		2010/11	
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	148,756	175,548	171,253	175,358
Departmental	1,252	1,463	1,451	1,653
Total Revenue	150,008	177,011	172,704	177,011
Total Expenses	145,430	168,782	172,704	177,011
Net Surplus	4,578	8,229	-	-

OUTPUT CLASS STATEMENT: CUSTODY OF SENTENCED PRISONERS

For the year ended 30 June 2011

	2009/10		2010/11	
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	548,129	567,304	576,938	567,045
Departmental	4,404	5,126	4,741	5,385
Total Revenue	552,533	572,430	581,679	572,430
Total Expenses	542,663	556,598	581,679	572,430
Net Surplus	9,870	15,832	-	-

⁸ Multi-class output appropriation.

⁹ The 2009-2017 Criminal Justice Forecast was used to set the budget standards for the 2010/11 financial year.

OUTPUT CLASS: CUSTODY OF REMAND PRISONERS

This output provides custodial services for remand prisoners (people awaiting trial, and offenders convicted but not yet sentenced) and ensures offenders complete the correct imposed order and comply with the specific restrictions and requirements of their order, are not harmed, and are treated fairly and have their legitimate needs met.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Rate of escapes per 100 remand prisoners:				
- Breakout (see note 6) (Number of breakout escapes)	New measure for 2010/11	≤ 0.10 (2)	0.11 (2)	10%
- Other (see note 7) (Number of other escapes)	New measure for 2010/11	≤ 0.05 (1)	0.00 (0)	0%
Rate of serious assaults per 100 remand prisoners (see note 8):				
- Prisoner/Prisoner (Number of serious prisoner/prisoner assaults)	New measure for 2010/11	≤ 0.60 (12)	1.11 (21)	85%
- Prisoner/Staff (Number of serious prisoner/staff assaults)	New measure for 2010/11	≤ 0.10 (2)	0.26 (5)	160%
Rate of unnatural deaths per 100 remand prisoners (see note 9) (Number of unnatural deaths)	New measure for 2010/11	≤ 0.15 (3)	0.37 (7)	147%
Rate of self-harm threat-to-life incidents per 100 remand prisoners (see note 10) (Number of self-harm threat-to-life incidents)	New measure for 2010/11	≤ 1.00 (20)	0.69 (13)	0%
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Average number of remand prisoners held	1,828	2,027	1,890	(7%)
The maximum number of remand prisoners held	New measure for 2010/11	2,130	2,024	(5%)

COMMENTS:

The rate of serious assaults per 100 remand prisoners for both prisoners and staff and the rate of unnatural deaths per 100 remand prisoners are all well above the budget standard expected. These incidents are being analysed to determine any contributing factors; where relevant these will be addressed to improve staff and prisoner safety.

We are committed to improving the management of prisoners who are identified of being at risk of harm. During the past year we have introduced a new 'at risk' assessment process and completed a review of all at risk clothing and bedding. These changes will be introduced during 2011/12. We will also be publishing a comprehensive Suicide Prevention Strategy.

OUTPUT CLASS: CUSTODY OF SENTENCED PRISONERS

This output provides custodial services for offenders sentenced to imprisonment and ensures offenders complete the correct imposed sentence and comply with the specific restrictions and requirements of their sentence, are not harmed, and are treated fairly and have their legitimate needs met.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Rate of escapes per 100 sentenced prisoners:				
- Breakout (see note 6) (Number of breakout escapes)	New measure for 2010/11	≤ 0.09 (6)	0.03 (2)	0%
- Other (see note 7) (Number of other escapes)	New measure for 2010/11	≤ 0.16 (11)	0.00 (0)	0%
Rate of serious assaults per 100 sentenced prisoners (see note 8):				
- Prisoner/Prisoner (Number of serious prisoner/prisoner assaults)	New measure for 2010/11	≤ 0.31 (20)	0.40 (27)	29%
- Prisoner/Staff (Number of serious prisoner/staff assaults)	New measure for 2010/11	≤ 0.09 (6)	0.09 (6)	0%
Rate of unnatural deaths per 100 sentenced prisoners (see note 9) (Number of unnatural deaths)	New measure for 2010/11	≤ 0.06 (4)	0.07 (5)	17%
Rate of self-harm threat-to-life incidents per 100 sentenced prisoners (see note 10) (Number of self-harm threat-to-life incidents)	New measure for 2010/11	≤ 0.50 (34)	0.15 (10)	0%
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Average number of sentenced prisoners held	6,587	6,860	6,822	0%
The maximum number of sentenced prisoners held	New measure for 2010/11	7,206	7,009	(3%)

COMMENTS:

The rate of serious prisoner/prisoner assaults per 100 sentenced prisoners and the rate of unnatural deaths per 100 sentenced prisoners are both above the budget standard expected. These incidents are being analysed to determine any contributing factors; where relevant these will be addressed to improve staff and prisoner safety.

We are committed to improving the management of prisoners who are identified of being at risk of harm. During the past year we have introduced a new 'at risk' assessment process and completed a review of all at risk clothing and bedding. These changes will be introduced during 2011/12. We will also be publishing a comprehensive Suicide Prevention Strategy.

OUTPUT: HEALTH

This is a shared output across both remand and sentenced prisoners where the Department provides for health assessments and primary health care for prisoners in custody.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of consultations with healthcare staff throughout the period	230,479	244,187	245,709	1%
Percentage of eligible prisoners that receive a specialist health assessment	New measure for 2010/11	≥ 80%	86%	0%
The percentage of justified complaints by prisoners relating to the provision of health services	New measure for 2011/12	New measure for 2011/12	0%	–
The percentage of all remand and newly sentenced prisoners who are screened by a health professional within 24 hours of reception	New measure for 2011/12	New measure for 2011/12	92%	–
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Number of prisoners who receive a health screening upon reception	23,801	27,107	31,835	17%

COMMENTS:

The number of prisoners who received a health screening upon reception is above the standard expected due to the number of prisoner movements required following the Christchurch earthquakes. It is a requirement that all prisoners receive a health screening upon reception into prison, including internal transfers between prisons.

OUTPUT: CRIME PREVENTION

This is a shared output across both remand and sentenced prisoners where the Department uses drug testing as a deterrent against the use of drugs by prisoners whilst in prison. This is complemented by other drug control activities, such as check points, dogs, and cell searches.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of crime prevention activities conducted, including:				
Number of drug and alcohol tests:				
– General random tests	3,915	3,926	4,036	3%
– Other tests (see note 11)	New measure for 2010/11	7,686	7,171	(7%)
Number of phone calls monitored	New measure for 2010/11	21,000	44,236	111%
Percentage of all individual phone calls monitored which have content of an intelligence value	New measure for 2010/11	≥ 60%	61%	0%
The positive percentage rate of general random drug tests for remand prisoners	New measure for 2011/12	New measure for 2011/12	13%	–
The positive percentage rate of general random drug tests for sentenced prisoners	New measure for 2011/12	New measure for 2011/12	6%	–

COMMENTS:

The number of phone calls monitored is substantially above the standard expected for the year; this was a new measure introduced for the 2010/11 financial year and the standard was set using conservative estimates at the time.

OUTPUT: PRISONER TRANSPORTATION

Remand and sentenced prisoners are escorted safely, securely and humanely, as required by the Judiciary.

Activity Information	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of prisoners escorted:				
- Court	47,373	58,101	45,790	(21%)
- Other (see note 12)	New measure for 2010/11	17,200	17,222	0%

COMMENTS:

The number of prisoners escorted to court was below the standard expected. The demand for this service is outside the control of the Department and is influenced by the rates of arrest and decisions of the Judiciary.

OUTPUT: EXTERNAL SUPERVISION

Remand and sentenced prisoners are supervised safely, securely and humanely, as required by the Judiciary.

Activity Information	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Number of prisoners externally supervised:				
- Court	23,624	19,770	25,084	27%
- Other	New measure for 2010/11	2,700	661	(76%)

COMMENTS:

There has been a substantial increase in the number of prisoners externally supervised in court, with a 27 percent increase above the standard expected. The demand for this service is outside the control of the Department and is influenced by the rates of arrest and decisions of the Judiciary. This growth represents the flow of work through the court system, as highlighted in the output Information Services to the Judiciary.

The number of prisoners externally supervised in other locations was well below the standard expected. This was a new measure and expected volumes were overestimated.

REHABILITATION AND REINTEGRATIVE SERVICES

This appropriation is limited to the provision of prisoner education, prisoner employment, rehabilitative programmes, reintegrative services and psychological services, all designed to address the underlying causes of criminal re-offending.

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

	2009/10	2010/11		
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	66,495	96,967	110,473	97,824
Departmental	605	1,327	1,119	1,231
Other		40,206	25,998	35,998
Total Revenue	67,100	138,500	137,590	135,053
Total Expenses	64,585	130,402	137,590	135,053
Net Surplus	2,515	8,098	–	–

The Department has made improvements to the Rehabilitation and Reintegration services' performance measures to ensure that the Department is well placed to demonstrate the impact of these services on our outcomes. These new output measures will be introduced in the 2011/12 financial year and will be reported on in the Department's 2011/12 Annual Report. The new output performance measures and expected budget standards are attached at Appendix 6 (page 103).

OUTPUT: EDUCATION

The Department seeks to improve the education standards of prisoners through the provision of foundation learning (literacy, numeracy, English for Speakers of Other Languages) and secondary school and tertiary education that improves education skills and a prisoner's ability to gain employment after release.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
The number of prisoners commencing non-work related education ¹⁰	3,501	2,643	2,667 ¹¹	1%

¹⁰ This measure was previously (2009/10) worded as: The number of prisoners commencing literacy and numeracy training.

¹¹ In 2009/10 and 2010/11 this figure combined literacy, numeracy, schooling and other forms of education. The variation between 2009/10 and 2010/11 is a result of variable reporting of some of these other educational activities. From 2011/12 the figure will only report on literacy and numeracy programmes (a government priority), meaning that the number for 2011/12 will be lower, but will also be more robust.

OUTPUT: PRISONER EMPLOYMENT

The Department provides employment, work-based training and assessment of New Zealand Qualifications Framework (NZQF) credits to prisoners in employment activities.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Average number of prisoners employed:				
- Corrections Inmate Employment (including Release to Work)	2,721	3,058	2,865	(6%)
- Prison-based work	1,596	1,800	1,822	1%
- Community Service activities	60	68	80	18%

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Average hours worked per seven-day week by:				
- Prisoners learning industry-based skills through Corrections Inmate Employment (including Release to Work)	33	35	34	(3%)
- Prisoners employed in prison-based work	28	24	26	8%
Average number of credits achieved by prisoners learning industry-based skills under the National Qualifications Framework ¹² through Corrections Inmate Employment	27	24	38	58%

COMMENTS:

The average number of prisoners employed in Community Service activities was 18 percent over the standard expected due to the Department's focus on getting prisoners to work in the community and support community projects.

The instructors have undergone training during the year which has improved their delivery of tuition to prisoners. Coupled with innovative and new training methods, this has meant that the average number of credits achieved by prisoners is substantially over the budget standard expected by 58 percent.

¹² Now known as the New Zealand Qualifications Framework.

OUTPUT: REHABILITATION PROGRAMMES

The Department delivers a number of rehabilitative programmes to both prisoners and offenders. These programmes include targeted interventions in relation to offending.

The Department uses a Bi-cultural Therapy Model that increases responsiveness to Māori needs by enabling both Tikanga Māori and psychology for self-development and positive whānau relationships.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of offenders who start a rehabilitation programme:				
– Prison-based	New measure for 2010/11	3,546	3,632	2%
– Community-based	New measure for 2010/11	4,704	5,659	20%
Total number of Māori offenders/prisoners who received treatment under the Bi-cultural Therapy Model	322	350	386	10%
Percentage of prisoners who complete a rehabilitation programme	80%	85%	80%	(6%)
Percentage of offenders who complete a community funded programme	52%	64%	53%	(17%)
Percentage of prisoners who complete a Special Treatment Unit programme	78%	82%	80%	(2%)
Percentage of medium risk offenders who complete a rehabilitation programme	72%	70%	74%	6%
Percentage of offenders who complete a Tikanga Māori programme	87%	65%	95%	46%

COMMENTS:

The number of community-based offenders who started a rehabilitation programme is 20 percent over the budget standard expected due to an increase in the demand experienced for these programmes.

There has been an increase in the number of Māori offenders/prisoners who are receiving treatment under the Bi-cultural Therapy Model. The Department has new providers delivering this type of treatment and has focused on finding appropriate referrals.

The percentage of offenders who completed a community funded programme is 17 percent below the expected standard. These programmes are provided by external parties in the community and, while the completion rate is lower than expected, it should be noted that as a direct result of referrals significant numbers of victims of domestic violence are linked into the appropriate support services. The lower than expected completion rate reflects the low tolerance of non-compliance which aligns with the approach taken across government in addressing domestic violence.

The percentage of offenders completing a Tikanga Māori programme is significantly (46 percent) higher than the expected standard due to an increased number of offenders commencing the programme and the support provided to offenders to better understand and appreciate their past and look towards a more positive future.

OUTPUT: REINTEGRATIVE SERVICES

Reintegrative services are provided to offenders and their families/whānau in order to facilitate the transition from prison to the community or to assist offenders serving sentences in the community to fulfil the conditions of their sentence or order. Reintegrative needs may include accommodation and employment, financial management, relationship management, community support, victim related issues and health care.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of prisoners who start a reintegration programme	997	844	1,074	27%
Percentage of prisoners who complete a reintegration programme	85%	90%	85%	(6%)
Total number of offenders participating in a Supported Accommodation service	202	200	192	(4%)
Total number of offenders who start a programme in a Community Residential Centre	16	28	26	(7%)
Psychological consultation hours provided to offenders who participated in a programme at a Community Residential Centre	New measure for 2010/11	900	1,209	34%
Contracted reintegrative support service hours provided by Prisoners' Aid and Rehabilitation Societies	52,266	48,000	51,035	6%
Number of offenders who received reintegrative support service hours by Prisoners' Aid and Rehabilitation Societies	11,905	12,500	11,503	(8%)

COMMENTS:

The number of prisoners commencing a reintegration programme is 27 percent over the budget standard expected due to the Department's focus on providing prisoners with living and parenting skills prior to release from prison. These programmes are between four and five weeks in duration and provide prisoners with skills that facilitate their reintegration into the community upon release.

The number of psychological consultation hours provided to offenders who are participating in a programme at a Community Residential Centre is 34 percent over the budget standard. This is due to the hours provided to the new Tai Aroha intensive programme in order to support the establishment and delivery of this programme, which works with offenders who have multiple treatment needs. This trend is expected to continue.

OUTPUT: PSYCHOLOGICAL SERVICES

Specialist psychologist treatment services are provided to offenders serving both custodial and community-based sentences. This includes the provision of reports resulting from the referral, assessment and treatment of offenders serving custodial sentences, and of professional training and supervision relating to the delivery of responsivity/motivational and rehabilitative programmes.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of psychological consultation hours provided	37,658	36,140	37,196	3%
Total number of psychological reports provided	2,879	3,433	3,408	(1%)
Percentage of psychological reports provided to standard (see note 13)	New measure for 2010/11	95%	100%	5%

SENTENCES AND ORDERS SERVED IN THE COMMUNITY

This appropriation is limited to the management and delivery of sentences and orders served in the community.

The number of new sentences and orders commencing in the 2010/11 financial year was 74,878.¹³ The average offender population serving sentences and orders for the 2010/11 financial year was 44,685.¹⁴

OUTPUT CLASS STATEMENT

For the year ended 30 June 2011

	2009/10	2010/11		
	Actual	Actual	Main Estimates	Supp. Estimates
	\$000	\$000	\$000	\$000
REVENUE				
Crown	171,589	193,949	183,549	193,553
Departmental	2,702	1,541	1,752	1,937
Other		11	-	-
Total Revenue	174,291	195,501	185,301	195,490
Total Expenses	171,330	188,459	185,301	195,490
Net Surplus	2,961	7,042	-	-

OUTPUT: HOME DETENTION SENTENCES

This output covers sentences imposed by the courts which require the offender to reside at an approved address under strict conditions and with strict monitoring, including electronic monitoring. The Department ensures that offenders complete the correct imposed sentence and comply with the restrictions and requirements of their sentence.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of Probation Officer full-time equivalents required to manage offenders on Home Detention sentences	168	232	265	14%
The percentage of offenders who have complied with their Home Detention sentence, or who have been held to account	New measure for 2011/12	New measure for 2011/12	95%	-
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of offenders commencing a Home Detention sentence	3,472	3,420	3,774	10%
Average number of Home Detention sentences being served	2,597	3,483	3,001	(14%)

COMMENTS:

The number of Probation Officer full-time equivalents required to manage offenders on Home Detention was 14 percent higher than the budget standard due to the number of offenders commencing a new Home Detention sentence being 10 percent higher than expected.

The average number of offenders serving a Home Detention sentence was lower than expected due to shorter sentence lengths being imposed for Home Detention sentences by the Judiciary.

¹³ This includes a further 2,924 new starts for Post-detention Conditions (an order considered a subset of Home Detention), three new starts for Compassionate Release and four new starts on Home Detention orders during 2010/11.

¹⁴ This includes a further one offender on a Home Detention order.

OUTPUT: COMMUNITY-BASED SENTENCES

This output covers the management of offenders serving Community-based sentences, being: Community Work, Intensive Supervision, Community Detention and Supervision. The Department ensures that offenders complete the correct imposed sentence and comply with the restrictions and requirements of their sentence.

Performance Measures	2009/10	2010/11		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of Probation Officer full-time equivalents required to manage offenders on Community-based sentences	594	528	603	14%
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of offenders commencing a Community-based sentence	62,108	63,168	61,721	(2%)
Average number of Community-based sentences being served	36,801	42,530	35,856	(16%)

COMMENTS:

The number of probation officer full-time equivalents required to manage offenders on community-based sentences was 14 percent higher than the budget standard due to actual volumes being greater than the 2009 volumes which the Department was funded for.

The average number of offenders serving community-based sentences was lower than expected, in particular with regards to community work sentences.

OUTPUT: POST-RELEASE ORDERS

This output covers the management of offenders who have Post-release conditions as imposed by the courts at the time of sentencing for prisoners with short sentences. It also covers Parole Orders imposed by the NZPB and Extended Supervision orders imposed by the courts, with additional special conditions set by the NZPB to actively manage the long term risks posed by high risk child-sex offenders in the community. The Department ensures that offenders complete the correct imposed order and comply with the restrictions and requirements of their order.

Performance Measures	2008/09	2009/10		
	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of Probation Officer full-time equivalents required to manage offenders on Post-release orders	186	217	201	(7%)
Average number of Post-release orders subject to residential restrictions	237	282	242	(14%)
The percentage of offenders who have complied with their Post-release order, or who have been held to account	New measure for 2011/12	New measure for 2011/12	96% ¹⁵	–
Activity Information	Actual	Budget Standard	Actual Standard	Variance (%)
Total number of offenders commencing a Post-release order	6,177	7,702	6,452	(16%)
Average number of Post-release orders being served	5,613	7,193	5,827	(19%)

COMMENTS:

The average number of Post-release orders subject to residential restrictions is lower than the standard expected. This is due to the lower number of offenders commencing parole orders.

The volume of offenders commencing a parole order has declined and is dependent on the number of prisoners who appear before the NZPB and are released. The reduction in the number of offenders commencing a Post-release order has also impacted the average number of Post-release orders being served, with 19 percent variance against the budget standard.

The average number of Post-release orders subject to residential restrictions is demand driven and dependent on the decisions of the NZPB; residential restrictions may be imposed by the NZPB as a special condition.

¹⁵ For Extended Supervision [ES] and Release on Conditions [RoC] the data is for the period November 2010 to June 2011, as this measure can only be reported against for those sentences/orders that have transitioned to the new Integrated Practice Framework [IPF]. The IPF for ES and RoC was implemented in November 2010. The parole results are available for the full year (July 2010 – June 2011).

NOTES TO PERFORMANCE MEASURES

Note #	Reference/Performance measure	Definition
1	Percentage of reports provided to agreed timeframes pursuant to the NZPB requirements	<ul style="list-style-type: none"> - Psychological reports are prepared for the NZPB at least five weeks prior to the hearing date - Probation reports are provided to the NZPB at least 10 days prior to the hearing date
2	Percentage of offenders who are notified as per the NZPB requirements	<ul style="list-style-type: none"> - Offenders are notified of an impending hearing no later than 14 days from the date of the hearing - Offenders are notified of a NZPB decision no later than 14 days following receipt of the signed decision
3	Percentage of victims who are notified as per the NZPB requirements	<ul style="list-style-type: none"> - Victims are notified of an impending hearing no later than 28 days from the hearing - Victims are notified of a NZPB decision no later than 14 days following receipt of the signed decision
4	Execute the contract for Contract Management of Prisons	Have in place by 31 January a contract with the preferred bidder for the Contract Management of Prisons
5	Commence the transition for Contract Management of Prisons	Following the contract signing, transition of the current facilities over to Serco commenced. This transition included handing over facilities, prisoner population build up and ensuring the Department and Serco work together to complete the transition prior to 1 August 2011
6	Breakout escape	Where a prisoner has breached security measures and the prisoner has physically left the area contained by the outermost perimeter fence or, if there is no such fence, prison buildings, police cell, court complex or other place of custodial control
7	Other escape	Where low security prisoners walk away from their place of supervision and escapes while under the supervision of officers during escorted outings including escorts to and from court
8	Serious assault	An act of physical violence that involves either: sexual assault of any form and degree, bodily harm requiring medical intervention by medical staff followed by overnight hospitalisation in a medical facility or bodily harm requiring ongoing medical intervention
9	Unnatural death	Unnatural deaths include apparent suicide, homicide, drug overdose and accident
10	Self-harm threat-to-life	Intentional acts of harm which would most probably have led to death if there was no immediate intervention
11	Number of drug and alcohol tests – 'other' drug tests	<p>Include tests under the following test types:</p> <p>Voluntary Participant (manual), Reasonable Cause (manual), Identified Drug User Voluntary Participant (manual), Temporary Release (random) and Identified Drug User (random)</p>
12	Number of prisoners escorted (other)	Includes inter-prison transfers and health related escorts
13	Percentage of psychological reports provided to standard	<ul style="list-style-type: none"> - Report is completed to formal standards as set out in the Prison Services Operations Manual - Report is concise, logical and grammatically correct - The source and referral reason are clearly stated - All relevant and appropriate information is included - Sources of information are well-documented (and verified) - Report contains a clear statement of appropriate recommendations - Report documents appropriate care for rights of offenders, as specified in the Prison Services Operations Manual - Report is signed by the indicated parties or written explanation is given if signatures are missing.