

# *Vote Corrections*

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APPROPRIATION MINISTER(S): Minister of Corrections (M18)

DEPARTMENT ADMINISTERING THE VOTE: Department of Corrections (A5)

RESPONSIBLE MINISTER FOR DEPARTMENT OF CORRECTIONS: Minister of Corrections

# Overview of the Vote

The Minister of Corrections is responsible for appropriations in Vote Corrections for the 2021/22 financial year covering:

## Operating Expenditure:

- a total of nearly \$1,108 million for the provision of custodial services, including under long-term service contracts and Public Private Partnerships for offenders lawfully required to be detained in custody and remand prisoners
- this includes an investment in the new Waikeria Corrections and Treatment Facility hereafter referred to as the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility
- a total of just over \$355 million for the provision of rehabilitation interventions, reintegration and support services to people in Corrections' management, defendants on bail, and their whānau, to address the underlying causes of criminal offending and reduce re-offending
- a total of nearly \$280 million for the management and delivery of sentences and orders served in the community, and electronic monitoring of people on bail
- a total of just over \$81 million for 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
- a total of nearly \$3 million for the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on Government policy matters
- a total of just over \$2 million for Corrections responses to ministerial correspondence and parliamentary questions, and
- a total of \$1 million for non-departmental infrastructure improvements to enable the development of the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility.

## Capital Expenditure:

- a total of nearly \$449 million on the purchase or development of assets by and for the use of Corrections.

The Minister of Corrections is also responsible for a capital injection to Corrections of just over \$69 million.

Details of these appropriations are set out in Parts 2-4.

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Re-offending is Reduced (M18) (A5)</b> This appropriation is limited to the provision of rehabilitation interventions, reintegration and support services to people in Corrections' management, defendants on bail, and their whānau, to address the underlying causes of criminal offending and reduce re-offending.	311,567	311,567	<b>355,378</b>
<b>Total Departmental Output Expenses</b>	311,567	311,567	355,378
<b>Departmental Capital Expenditure</b>			
<b>Department of Corrections - Capital Expenditure PLA (M18) (A5)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Department of Corrections, as authorised by section 24(1) of the Public Finance Act 1989.	534,079	534,079	448,968
<b>Total Departmental Capital Expenditure</b>	534,079	534,079	448,968
<b>Non-Departmental Other Expenses</b>			
<b>Waikeria Corrections and Treatment Facility (M18) (A5)</b> This appropriation is limited to infrastructure improvements that are either a condition of the designation or otherwise necessary to enable the development of the Waikeria Corrections and Treatment Facility.	22,937	22,937	<b>1,000</b>
<b>Total Non-Departmental Other Expenses</b>	22,937	22,937	1,000
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Policy Advice and Ministerial Services MCA (M18) (A5)</b> The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.	5,712	5,712	<b>4,861</b>
<b>Departmental Output Expenses</b>			
<b>Ministerial Services</b> This category is limited to Department responses to ministerial correspondence and parliamentary questions.	3,105	3,105	2,305
<b>Policy Advice</b> This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters.	2,607	2,607	2,556

Titles and Scopes of Appropriations by Appropriation Type	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Public Safety is Improved MCA (M18) (A5)</b> The single overarching purpose of this appropriation is to manage offenders serving custodial and community-based sentences and orders, and people on remand (either awaiting trial or convicted but not yet sentenced) in a manner so as to improve the safety of offenders, staff, victims and the public.	1,519,003	1,519,003	<b>1,468,408</b>
<b>Departmental Output Expenses</b>			
<i>Information and Administrative Services to the Judiciary and New Zealand Parole Board</i> This category 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.	75,710	75,710	81,003
<i>Prison-based Custodial Services</i> This category is limited to the provision of custodial services, including under long-term service contracts and Public Private Partnerships, for offenders lawfully required to be detained in custody and remand prisoners.	1,177,569	1,177,569	1,107,536
<i>Sentences and Orders Served in the Community</i> This category is limited to the management and delivery of sentences and orders served in the community, and electronic monitoring of people on bail.	265,724	265,724	279,869
<b>Total Multi-Category Expenses and Capital Expenditure</b>	1,524,715	1,524,715	1,473,269
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	2,393,298	2,393,298	2,278,615

## Capital Injection Authorisations

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Department of Corrections - Capital Injection (M18) (A5)	54,363	54,363	69,495

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Asset Revaluation Depreciation Impacts	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Departmental Output Expense	13,500	(1,080)	12,510	1,710	6,390
	<b>Re-offending is Reduced</b> Departmental Output Expense	1,500	(120)	1,390	190	710
Electronic Monitoring Demand and Price Pressure	<b>Public Safety is Improved MCA -</b> Sentences and Orders Served in the Community Departmental Output Expense	-	3,480	2,490	2,490	2,490
	<b>Public Safety is Improved MCA -</b> Information and Administrative Services to the Judiciary and New Zealand Parole Board Prison-based Custodial Services Sentences and Orders Served in the Community Departmental Output Expense <b>Re-offending is Reduced</b> Departmental Output Expense	-	1,827	1,827	-	-
Maintaining safe, effective housing, Support Services and Community-based Reintegration Pathways	<b>Public Safety is Improved MCA -</b> Sentences and Orders Served in the Community Departmental Output Expense	-	1,710	4,050	4,050	4,050
	<b>Re-offending is Reduced</b> Departmental Output Expense	-	1,710	4,050	4,050	4,050
Management of People of Extreme Risk	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Departmental Output Expense	-	1,661	1,661	1,661	1,661

Policy Initiative	Appropriation	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Māori Pathways - Kaupapa Māori services for wāhine	<b>Public Safety is Improved MCA -</b>					
	Prison-based Custodial Services	-	273	836	931	386
	Sentences and Orders Served in the Community	-	222	683	761	316
	Departmental Output Expense					
	<b>Re-offending is Reduced</b>	-	494	1,520	1,693	703
	Departmental Output Expense					
	Departmental Capital Injections	-	150	550	500	-
Waikeria Prison Development - enabling the operating of the new prison	<b>Public Safety is Improved MCA -</b>					
	Information and Administrative Services to the Judiciary and New Zealand Parole Board	-	416	897	1,210	1,210
	Prison-based Custodial Services	-	3,744	8,072	10,886	10,886
	Departmental Output Expense					
	<b>Re-offending is Reduced</b>	-	1,040	2,241	3,024	3,024
	Departmental Output Expense					
	<b>Departmental Capital Injections</b>	-	3,060	1,500	-	-
Waikeria Prison Development - enabling the operating of the Waikeria mental health and addiction service	<b>Public Safety is Improved MCA -</b>					
	Prison-based Custodial Services	-	-	10,040	19,648	19,648
	Departmental Output Expense					
	<b>Re-offending is Reduced</b>	-	-	2,510	4,912	4,912
	Departmental Output Expense					
	<b>Departmental Capital Injections</b>	-	6,300	1,560	-	-
Maintaining Safe Community Services - Wage and Salary Bargaining Contingency	<b>Public Safety is Improved MCA -</b>					
	Information and Administrative Services to the Judiciary and New Zealand Parole Board	1,221	2,422	2,422	2,422	2,422
	Sentences and Orders Served in the Community	3,866	7,668	7,668	7,668	7,668
	Departmental Output Expense					
Mayfair House COVID-19 impact	<b>Public Safety is Improved MCA -</b>					
	Prison-based Custodial Services	25	897	69	69	69
	Sentences and Orders Served in the Community	6	224	17	17	17
	Departmental Output Expense					
	<b>Re-offending is Reduced</b>	3	125	10	10	10
	Departmental Output Expense					
	<b>Departmental Capital Injections</b>	163	800	-	-	-

Policy Initiative	Appropriation	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Rapid Build Prison Places: Programme Update	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Departmental Output Expense	2,800	2,940	2,940	2,940	2,940
	<b>Re-offending is Reduced</b> Departmental Output Expense	1,200	1,260	1,260	1,260	1,260
	<b>Departmental Capital Injections</b>	-	30,000	-	-	-
Waikeria PPP - Outcome of COVID -19 Negotiations	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Departmental Output Expense	735	3,570	3,570	2,870	2,870
	<b>Re-offending is Reduced</b> Departmental Output Expense	315	1,530	1,530	1,230	1,230
	<b>Departmental Capital Injections</b>	35,000	1,185	2,445	-	-
Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau During COVID-19	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Sentences and Orders Served in the Community Departmental Output Expense	4,335	2,091	2,091	2,091	2,091
	<b>Re-offending is Reduced</b> Departmental Output Expense	956	461	461	461	461
Personal Protective Equipment	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Sentences and Orders Served in the Community Departmental Output Expense	3,082	-	-	-	-
		770	-	-	-	-
Responding to COVID-19 by Strengthening our Health, Safety and Wellbeing, and Communications Capacity and Capability	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Sentences and Orders Served in the Community Departmental Output Expense	1,838	-	-	-	-
		460	-	-	-	-
Thermal Imaging Detection System - COVID-19	<b>Public Safety is Improved MCA -</b> Prison-based Custodial Services Departmental Output Expense	350	352	354	356	356
Justice Sector Resourcing: additional funding needed to address impacts of COVID-19	<b>Public Safety is Improved MCA -</b> Sentences and Orders Served in the Community Departmental Output Expense	98	195	195	-	-
Te Maihi O Te Whare Māori - Māori And Iwi Housing Innovation (Maihi) - Northland Regional Corrections Facility	<b>Re-offending is Reduced</b> Departmental Output Expense <b>Departmental Capital Injections</b>	1,100	1,500	1,500	1,500	1,500
		3,600	-	-	-	-

Policy Initiative	Appropriation	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Savings - Reprioritisation of Funding	<b>Re-offending is Reduced</b>	(24,344)	-	-	-	-
	Departmental Output Expense					
	<b>Public Safety is Improved MCA -</b>					
	Prison-based Custodial Services	(745)	-	-	-	-
	Information and Administrative Services to the Judiciary and New Zealand Parole Board	(291)	-	-	-	-
	Sentences and Orders Served in the Community	(290)	-	-	-	-
	Departmental Output Expense					
	<b>Non-Departmental Other Expense</b>	(29,728)	-	-	-	-
<b>Total initiatives</b>		22,609	88,263	91,075	81,133	83,853



## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2016/17	2017/18	2018/19	2019/20	2020/21		2021/22			2022/23	2023/24	2024/25
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	180,869	215,676	243,102	266,293	311,567	311,567	355,378	-	355,378	374,176	368,396	367,926
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	6,667	7,411	27,712	22,937	22,937	-	1,000	1,000	-	-	-
Capital Expenditure	256,654	260,786	560,397	352,462	534,079	534,079	448,968	-	448,968	195,844	114,952	97,785
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	1,164,131	1,258,159	1,366,034	1,460,316	1,524,715	1,524,715	1,473,269	-	1,473,269	1,565,289	1,561,839	1,565,750
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Appropriations</b>	1,601,654	1,741,288	2,176,944	2,106,783	2,393,298	2,393,298	2,277,615	1,000	2,278,615	2,135,309	2,045,187	2,031,461
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	-	-	-	-	-	N/A	-	-	-	-	-

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

## Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There has been no restructuring to prior years' information in the Summary of Financial Activity Table.

### 1.3 - Analysis of Significant Trends

#### *Departmental Output Expense Trends*

Hōkai Rangi describes a strategic direction that puts safety and wellbeing at the foundation of all its activities for people serving sentences and orders, and people on remand, staff, victims and communities. From 2015 through 2018, Corrections experienced a sharp increase in the prison population that necessitated investment to lift safety settings in order keep staff and people serving sentences and orders safe, and to build a greater level of resilience into the prison network to absorb future spikes in the prison population. Moreover, the increased complexity of the community population has driven greater investment in electronic monitoring and additional numbers of probation officers. Contractual and inflationary uplifts also continue to drive baseline increases across the unionised workforce and external contractors including Public Private Partnerships who operate the private prisons.

Since 2017, there has been increased investment in mental health, alcohol and other drug programmes, Māori pathways and housing solutions for those on release. The increase in the prison population also drove investment in new and innovative solutions to increase health outcomes and reduce the long term prison population. Led by Corrections and in partnership with the justice sector, the High Impact Innovation Programme was developed to target the enduring issues that affect New Zealand communities through tactical initiatives that contribute to a safer and more effective justice system.

#### *Departmental Capital Expenditure*

Corrections is continuing to improve the quality of its existing asset footprint and modernise the prison network to deliver and support the wellbeing and safety of staff and people in prison. The short term reduction in the prison population over 2020/21 providing the opportunity to remove poor quality capacity and create resilience to respond to changing demand and service needs. The asset base has also changed with proportionately greater investment in areas such as digital technology which is increasing depreciation and the capital charge profile.

Design and construction of the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility under a Public Private Partnership also continues. When complete in 2022, this will provide 500 high security beds and 100 mental health and addiction service beds.

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Re-offending is Reduced (M18) (A5)

##### *Scope of Appropriation*

This appropriation is limited to the provision of rehabilitation interventions, reintegration and support services to people in Corrections' management, defendants on bail, and their whānau, to address the underlying causes of criminal offending and reduce re-offending.

##### *Expenses and Revenue*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	311,567	311,567	355,378
Revenue from the Crown	280,242	280,242	324,433
Revenue from Others	31,325	31,325	30,945

##### *Components of the Appropriation*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Case Management	50,175	50,175	62,380
Interventions - Training and Education	8,348	8,348	10,856
Interventions - Offender Employment	74,435	74,435	75,293
Interventions - Rehabilitation	133,112	133,112	140,299
Interventions - Reintegration	45,497	45,497	66,550
Total	311,567	311,567	355,378

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve a reduction in re-offending rates by focusing on the wellbeing of those lawfully required to be detained in custody and their whānau. It provides for the timely assessment of the rehabilitative and reintegrative needs of people in our management and their whānau as well as end-to-end bail support for defendants. This appropriation ensures identified offender and defendant needs are addressed through culturally appropriate and whānau-centred wellbeing interventions.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The proportion of all offenders entitled to receive an offender plan that received one within Standards of Practice timeframes	85%	85%	85%
The proportion of prisoners who have completed an intensive literacy and numeracy programme who demonstrate statistically significant gains	35%	69%	35%
The percentage of offenders who start and complete a rehabilitation programme:			
• Prisoners	85%	85%	85%
• Community-based offenders	65%	65%	65%
The total number of referrals made to reintegration service providers	5,000	7,000	Not a measure for 2021/22
Total number of referrals made to reintegration services that resulted in a start	4,000	3,500	4,000
The percentage of target hours prisoners are engaged in industry, treatment and learning activities	80%	80%	80%

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Corrections in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Waikeria Prison Development - enabling the operating of the Waikeria mental health and addiction service	2022/23	-	-	2,510	4,912	4,912
Waikeria Prison Development - enabling the operating of the new prison	2021/22	-	1,040	2,241	3,024	3,024
High Impact Innovation Programme - delivering continued transformation of the criminal justice system	2021/22	-	2,239	2,239	-	-
Maintaining safe, effective housing, Support Services and Community-based Reintegration Pathways	2021/22	-	1,710	4,050	4,050	4,050
Māori Pathways - Kaupapa Māori services for wāhine	2021/22	-	494	1,520	1,693	703
Asset Revaluation Depreciation Impacts	2020/21	1,500	(120)	1,390	190	710
Savings - Reprioritisation of Funding	2020/21	(24,344)	-	-	-	-
Mayfair House COVID-19 impact	2020/21	3	125	10	10	10
Rapid Build Prison Places: Programme Update	2020/21	1,200	1,260	1,260	1,260	1,260
Waikeria PPP - Outcome of COVID -19 Negotiations	2020/21	315	1,530	1,530	1,230	1,230
Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau During COVID-19	2020/21	956	461	461	461	461

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Te Maihi O Te Whare Māori - Māori And Iwi Housing Innovation (Maihi) - Northland Regional Corrections Facility	2020/21	1,100	1,500	1,500	1,500	1,500
Maintaining a Safe Prison Network	2020/21	2,700	2,597	2,597	2,597	2,597
Maintaining Safe Community Services	2020/21	120	120	120	120	120
Hōkai Rangī - Pre-Trial Service - providing early support to lower number of people entering (or remaining in) custody	2020/21	2,310	3,390	4,020	4,530	4,530
He Kete Oranga o te Mana Wāhine	2020/21	1,360	1,360	-	-	-
Te Ira Tangata under the framework of Te Ira Oranga	2020/21	739	649	649	-	-
Infrastructure Resilience	2019/20	5,160	1,360	1,360	1,360	1,360
High Impact Innovation Programme - continued innovation across the Justice Sector	2019/20	1,590	-	-	-	-
Recovery House	2019/20	520	520	-	-	-
Intergenerational change for child and community wellbeing through parenting programmes: Storytime Foundation & Brainwave	2019/20	946	968	-	-	-
Preventing and Reducing Homelessness	2019/20	1,720	1,980	870	260	260
Reintegration of Services for Women	2019/20	2,031	971	-	-	-
Wellington Accommodation Project (WAP2) Reconfiguration Programme	2019/20	141	44	44	44	44
Increasing Access to Mental Health and Addiction Support	2019/20	26,878	38,660	41,387	41,387	41,387
Māori Pathway - Improving Outcomes for Māori and their Whānau in the Corrections System and Supporting their Reintegration Back into Communities - Part A	2019/20	2,500	3,000	3,100	3,100	3,100
Māori Pathway - Improving Outcomes for Māori and their Whānau in the Corrections System and Supporting their Reintegration Back into Communities - Part B	2019/20	14,506	17,297	19,102	19,102	19,102
Enhancing Specialist Alcohol and Other Drug Services	2019/20	500	500	500	500	500
Housing and Support Services for People Managed by Corrections	2018/19	17,895	19,885	16,700	16,700	16,700
Waikeria Corrections and Treatment Facility - Approval to Execute the Project Agreement	2018/19	1,800	6,200	21,700	21,500	21,500
Prisoner Volumes - Responding to Growth	2018/19	15,732	15,747	15,747	15,747	15,747
Offenders In The Community - Maintaining Public Safety	2018/19	5,015	3,019	3,019	3,019	3,019

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
<b>Previous National-led Government</b>						
Burglary Prevention	2017/18	7,107	7,107	7,107	7,107	7,107
Sentences and Orders Served in the Community - Increased Investment	2017/18	738	738	738	738	738
Prisoner Volumes	2017/18	12,714	12,714	12,714	12,714	12,714
Prisoners at Risk of Self-harm and Suicide - Pilot	2017/18	2,997	2,815	2,415	2,415	2,415
Industry, Treatment, and Learning Interventions - Increasing Access	2017/18	5,650	5,650	5,650	5,650	5,650
Safe, Confident and Resilient Communities: Investment in Policing	2017/18	4,400	4,400	4,400	4,400	4,400

### *Reasons for Change in Appropriation*

This appropriation increased by \$43.811 million to \$355.378 million mainly due to:

- a savings initiative impacting 2020/21 of \$24.344 million relating to the Waikeria Prison Development, Māori Pathways, and housing and support services and community based reintegration pathways
- increasing access to mental health and addiction services of \$11.782 million and expense transfers of \$2.441 million largely relating to mental health and Māori Pathways
- Budget 2021/22 funding for the High Impact Innovation Programme that seeks to reform the criminal justice system by delivering operational improvements across the justice sector of \$2.239 million, and community reintegration, safe and effective housing and support services of \$1.710 million
- Budget 2021/22 funding of \$1.040 million for the incremental resources, services and digital tools to operationalise the Waikeria Prison Development.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### Department of Corrections - Capital Expenditure PLA (M18) (A5)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Department of Corrections, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	490,099	490,099	395,268
Intangibles	43,980	43,980	53,700
Other	-	-	-
<b>Total Appropriation</b>	<b>534,079</b>	<b>534,079</b>	<b>448,968</b>

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve renewal and replacement of assets in support of the provision of Corrections outputs. Corrections has a capital programme of work that is focused on upgrading its assets, providing resilience to respond to changing demand and service needs, and establishing a safe and more humanising and healing environment.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Number of new Community Corrections sites and existing site refurbishments	3	3	3
Prison Capacity Programme - permanent beds added	488	488	488

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Corrections in its Annual Report.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$85.111 million to \$448.968 million mainly due to:

- a \$94.621 million decrease in the capital expenditure profile relating to the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility and the modular build programme.

This was partially offset by:

- an increase in Budget 2021/22 funding of \$9.360 million for the incremental resources, services and digital tools to operationalise the Waikeria Prison Development, including the 100-bed mental health and addiction service.

### **Department of Corrections**

Details of Net Asset Schedule	2020/21 Estimated Actual \$000	2021/22 Projected \$000	Explanation of Projected Movements in 2021/22
Opening Balance	2,656,100	2,800,160	
Capital Injections	54,363	69,495	Relates to capital injections of \$29.100 million for Waikeria Corrections and Treatment Facility, \$30 million for the Modular Build Prison Places programme, \$9.360 million for Operationalisation of Waikeria Prison and Mental Health Facility and \$1.035 million for other new policy initiatives.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	89,697	5,422	The 2020/21 and 2021/22 forecasted gain of \$5.422 million relates to the un-realised year to date fair value movement on the Corrections interest rate swap entered into with New Zealand Debt Management Office to manage the risk relating to public private partnership transactions.
Other Movements	-	-	
<b>Closing Balance</b>	<b>2,800,160</b>	<b>2,875,077</b>	



## Part 3 - Details of Non-Departmental Appropriations

### 3.4 - Non-Departmental Other Expenses

#### Waikeria Corrections and Treatment Facility (M18) (A5)

##### *Scope of Appropriation*

This appropriation is limited to infrastructure improvements that are either a condition of the designation or otherwise necessary to enable the development of the Waikeria Corrections and Treatment Facility.

##### *Expenses*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	22,937	22,937	1,000

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve infrastructure improvements necessary to enable the development of the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

Completion of major infrastructure improvements required to enable the development of the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility, and the continued implementation of designation conditions.

##### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Corrections in a report appended to the Corrections Annual Report.

##### *Service Providers*

Provider	2020/21 Final Budgeted \$000	2020/21 Estimated Actual \$000	2021/22 Budget \$000	Expiry of Resourcing Commitment
<b>Non-Government Organisations</b>				
Consultants, Staff and Contractors	310	310		June 2021
District and Regional Council	1	1		June 2021
Roading	5,504	5,504	1,000	June 2022
Wastewater	16,131	16,131		June 2021
Electricity Upgrade	902	902		June 2021
Gas Upgrade	89	89		June 2021
<b>Total</b>	<b>22,937</b>	<b>22,937</b>	<b>1,000</b>	

### *Reasons for Change in Appropriation*

This appropriation decreased by \$21.937 million to \$1 million due to the savings initiative of \$29.728 million, partially offset by expense transfers from 2020/21 and is in line with planned completion of the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility. When complete in 2022, the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility will provide 500 high security beds and 100 mental health and addiction service beds.

# Part 4 - Details of Multi-Category Expenses and Capital Expenditure

## 4 - Multi-Category Expenses and Capital Expenditure

### Policy Advice and Ministerial Services (M18) (A5)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

##### *Ministerial Services*

This category is limited to Department responses to ministerial correspondence and parliamentary questions.

##### *Policy Advice*

This category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters.

#### *Expenses, Revenue and Capital Expenditure*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>5,712</b>	<b>5,712</b>	<b>4,861</b>
<b>Departmental Output Expenses</b>			
Ministerial Services	3,105	3,105	2,305
Policy Advice	2,607	2,607	2,556
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>5,661</b>	<b>5,661</b>	<b>4,861</b>
Ministerial Services	3,105	3,105	2,305
Policy Advice	2,556	2,556	2,556
<b>Revenue from Others</b>	<b>51</b>	<b>51</b>	<b>-</b>
Policy Advice	51	51	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable Corrections to respond to ministerial requests and parliamentary questions with a high standard of service. It also allows Corrections to provide policy advice to support decision-making by Ministers on Government policy matters.

This Multi-Category Appropriation provides core services to co-ordinate information provided to government and the public as well as developing policy that improves wellbeing and safety outcomes for New Zealand communities.

### *How Performance will be Assessed for this Appropriation*

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Policy Advice and Ministerial Services</b>			
The office of the Minister of Corrections is satisfied with the level of quality of policy advice, and of draft Ministerial correspondence, provided by the Department (determined by an Annual Survey of satisfaction)	85%	85%	85%

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Ministerial Services</b>			
This category is intended to ensure timely, accurate and relevant responses are provided to ministerial correspondence, parliamentary questions and requests for information made under the Official Information Act			
The percentage of ministerial draft correspondence that is signed without changes	Greater than 95%	Greater than 95%	Greater than 95%
The percentage of all responses to parliamentary questions that are completed within five working days	Greater than 98%	Greater than 98%	Greater than 98%
The percentage of responses to ministerial draft correspondence that are completed within 20 working days	Greater than 98%	Greater than 98%	Greater than 98%
<b>Policy Advice</b>			
This category is intended to provide meaningful advice and the development of robust policy that enhances service delivery and to contribute to the development of effective criminal justice legislation. This category also ensures that service activities intended to reduce re-offending are effectively evaluated and that information regarding those evaluations is available to inform decision-making			
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 90%	At least an average of 70%	At least an average of 70%	At least an average of 70%
The office of the Minister of Corrections is satisfied with the quality of policy advice provided, including quality of the written material and quality of the advice provided (measured through an annual survey)	80%	80%	80%

## End of Year Performance Reporting

Performance information for this appropriation will be reported by Corrections in its Annual Report.

### Public Safety is Improved (M18) (A5)

#### Overarching Purpose Statement

The single overarching purpose of this appropriation is to manage offenders serving custodial and community-based sentences and orders, and people on remand (either awaiting trial or convicted but not yet sentenced) in a manner so as to improve the safety of offenders, staff, victims and the public.

#### Scope of Appropriation

##### Departmental Output Expenses

###### *Information and Administrative Services to the Judiciary and New Zealand Parole Board*

This category 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.

###### *Prison-based Custodial Services*

This category is limited to the provision of custodial services, including under long-term service contracts and Public Private Partnerships, for offenders lawfully required to be detained in custody and remand prisoners.

###### *Sentences and Orders Served in the Community*

This category is limited to the management and delivery of sentences and orders served in the community, and electronic monitoring of people on bail.

#### Expenses, Revenue and Capital Expenditure

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>1,519,003</b>	<b>1,519,003</b>	<b>1,468,408</b>
<b>Departmental Output Expenses</b>			
Information and Administrative Services to the Judiciary and New Zealand Parole Board	75,710	75,710	81,003
Prison-based Custodial Services	1,177,569	1,177,569	1,107,536
Sentences and Orders Served in the Community	265,724	265,724	279,869
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>1,487,857</b>	<b>1,487,857</b>	<b>1,465,214</b>
Information and Administrative Services to the Judiciary and New Zealand Parole Board	75,574	75,574	81,003
Prison-based Custodial Services	1,146,897	1,146,897	1,104,342
Sentences and Orders Served in the Community	265,386	265,386	279,869

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Revenue from Others</b>	<b>31,146</b>	<b>31,146</b>	<b>3,194</b>
Information and Administrative Services to the Judiciary and New Zealand Parole Board	136	136	-
Prison-based Custodial Services	30,672	30,672	3,194
Sentences and Orders Served in the Community	338	338	-

### *Components of the Appropriation*

	2020/21		2021/22
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Information and Administrative Services to the Judiciary and New Zealand Parole Board</b>			
Information Services to the Judiciary	60,267	60,267	62,115
Information Services to the New Zealand Parole Board	8,330	8,330	11,159
Information and Administrative Services to Victims	301	301	917
Administrative Services to the New Zealand Parole Board	6,812	6,812	6,812
<b>Prison-based Custodial Services</b>			
Asset Management	400,373	400,373	344,552
Sentenced	388,599	388,599	380,727
Remand	270,841	270,841	264,060
Third Party	58,878	58,878	58,878
Health	58,878	58,878	59,319
<b>Sentences and Orders Served in the Community</b>			
Community Based Sentences	145,289	145,289	149,274
Post-Release Orders	66,643	66,643	69,778
Home Detention Sentences	44,548	44,548	46,758
Electronic Monitoring Bail	9,244	9,244	14,059
<b>Total</b>	<b>1,519,003</b>	<b>1,519,003</b>	<b>1,468,408</b>

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to:

- enable Corrections to manage people in custody in a way that enhances their wellbeing and supports them upon release to not return to the justice system, protects the public and maintains the safety of all involved
- achieve safe management of people serving sentences and orders in the community and the ability to hold them to account for failing to complete their sentence or order, and
- provide core services to the Judiciary and New Zealand Parole Board to enable informed sentencing and parole decisions to be made in a timely manner including notification to people in Corrections' management, and victims regarding the outcomes of the processes, to enhance rehabilitative outcomes.

### *How Performance will be Assessed for this Appropriation*

The performance for this appropriation will be assessed by the following measures specified in each category below.

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Information and Administrative Services to the Judiciary and New Zealand Parole Board</b>			
This category is intended to provide core services to the Judiciary and New Zealand Parole Board to enable informed sentencing and parole decisions to be made in a timely manner including notification to people in our management, and victims regarding the outcomes of the judicial process, to enhance rehabilitative outcomes			
The percentage of all pre-sentence reports provided to court within agreed timeframes before sentencing	95%	95%	95%
The percentage of all parole reports provided to agreed timeframes pursuant to New Zealand Parole Board requirements	95%	70%	95%
The percentage of offenders who are notified as per New Zealand Parole Board requirements	98%	98%	98%
The percentage of victims who are notified as per New Zealand Parole Board requirements	98%	98%	98%
The percentage of all cases heard by the New Zealand Parole Board that are scheduled within the timeframes specified by the Parole Act 2002	98%	98%	98%
The number of justified complaints about notification services received from registered victims	Nil	2	Nil
<b>Prison-based Custodial Services</b>			
This category is intended to enable Corrections to manage people in custody in a way that enhances their wellbeing and supports them upon release to not return to the justice system, protects the public and maintains the safety of all involved			
The number of breakout escapes	Nil	Nil	Nil
The number of non-breakout escapes	Less than or equal to 5	Less than or equal to 5	Less than or equal to 5
The proportion of general random drug tests undertaken by prisoners that have a positive result	Less than 5%	Less than 5%	Less than 5%
The number of unnatural deaths	Nil	9	Nil
The percentage of Death in Custody reports for unnatural deaths, that are completed by the Office of the Inspectorate within six months of the death occurring	Greater than 80%	67% - 78%	Greater than 80%
The number of prisoner on prisoner assaults that are serious, as a rate per 100 prisoners	Less than or equal to 0.50	0.59	Less than or equal to 0.50
The number of prisoner on staff assaults that are serious, as a rate per 100 prisoners	Less than or equal to 0.20	0.36	Less than or equal to 0.20

	2020/21		2021/22
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Assessment of Performance</b>			
The proportion of all complaints received to the Office of the Inspectorate that are acknowledged within 10 working days of receipt	100%	100%	100%
The proportion of all complaint investigations completed by the Office of the Inspectorate within three months of being received	Greater than 80%	Greater than 80%	Greater than 80%
The percentage of Health Centres in prisons that retained their Cornerstone accreditation status following completion of an annual review	100%	100%	100%
<b>Sentences and Orders Served in the Community</b>			
This category is intended to achieve safe management of sentences served in the community and the ability for offenders to be held to account for successfully completing their sentence or order			
The proportion of community-based offenders who successfully complete their sentence or order	Greater than 75%	Greater than 75%	Greater than 75%
The proportion of community-based offenders being held to account by probation staff for non-compliance	90%	90%	90%

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Corrections in its Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Waikeria Prison Development - enabling the operating of the Waikeria mental health and addiction service	2022/23	-	-	10,040	19,648	19,648
Waikeria Prison Development - enabling the operating of the new prison	2021/22	-	4,160	8,969	12,096	12,096
Electronic Monitoring Demand and Price Pressure	2021/22	-	3,480	2,490	2,490	2,490
High Impact Innovation Programme - delivering continued transformation of the criminal justice system	2021/22	-	5,221	5,221	-	-
Maintaining safe, effective housing, Support Services and Community-based Reintegration Pathways	2021/22	-	1,710	4,050	4,050	4,050
Management of People of Extreme Risk	2021/22	-	1,661	1,661	1,661	1,661
Māori Pathways - Kaupapa Māori services for wāhine	2021/22	-	495	1,519	1,692	702
Improving the Justice Response to Sexual Violence Victims	2021/22	-	424	643	864	864
Savings - Reprioritisation of Funding	2020/21	(1,326)	-	-	-	-
Asset Revaluation Depreciation Impacts	2020/21	13,500	(1,080)	12,510	1,710	6,390
Maintaining Safe Community Services - Wage and Salary Bargaining Contingency	2020/21	5,087	10,090	10,090	10,090	10,090
Mayfair House COVID-19 impact	2020/21	31	1,121	86	86	86
Rapid Build Prison Places: Programme Update	2020/21	2,800	2,940	2,940	2,940	2,940



Policy Initiative	Year of First Impact	2020/21 Final Budgeted \$000	2021/22 Budget \$000	2022/23 Estimated \$000	2023/24 Estimated \$000	2024/25 Estimated \$000
Waikeria PPP - Outcome of COVID-19 Negotiations	2020/21	735	3,570	3,570	2,870	2,870
Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau During COVID-19	2020/21	5,419	2,614	2,614	2,614	2,614
Personal Protective Equipment	2020/21	3,852	-	-	-	-
Responding to COVID-19 by Strengthening our Health, Safety and Wellbeing, and Communications Capacity and Capability	2020/21	2,298	-	-	-	-
Thermal Imaging Detection System - COVID-19	2020/21	350	352	354	356	356
Justice Sector Resourcing: additional funding needed to address impacts of COVID-19	2020/21	98	195	195	-	-
Maintaining a Safe Prison Network	2020/21	21,551	22,454	22,454	22,454	22,454
Maintaining Safe Community Services	2020/21	3,380	4,380	4,380	4,380	4,380
Hōkai Rangī - Pre-Trial Service - providing early support to lower number of people entering (or remaining in) custody	2020/21	5,390	7,910	9,380	10,570	10,570
High Impact Innovation Programme - continued innovation across the Justice Sector	2020/21	3,710	-	-	-	-
Wellington Accommodation Project (WAP2) Reconfiguration Programme	2019/20	4,592	1,443	1,443	1,443	1,443
Responding to March Mosque Attack	2019/20	1,661	-	-	-	-
Restoring a Safe and Effective Prison Network	2019/20	28,500	28,500	28,500	28,500	28,500
Offenders in the Community: Retaining Safe and Effective Community-Based Sentences and Orders	2019/20	19,460	19,460	19,460	19,460	19,460
Ensuring the Sustainability of the District Court by Appointing Additional District Court Judges	2019/20	335	335	335	335	335
Infrastructure Resilience	2019/20	41,640	7,440	7,440	7,440	7,440
Reprioritisation of Funding - Targeted Suspension of Suboptimal Prison Capacity	2019/20	(17,600)	(22,700)	(22,700)	(22,700)	(22,700)
Waikeria Corrections and Treatment Facility - Approval to Execute the Project Agreement	2018/19	7,400	24,800	86,700	85,900	85,900
Prisoner Volumes - Responding to Growth	2018/19	61,870	58,015	58,015	58,015	58,015
Offenders In The Community - Maintaining Public Safety	2018/19	29,085	33,081	33,081	33,081	33,081
Previous National-led Government						
Reform of Family Violence Law	2018/19	27,603	33,111	34,332	34,332	34,332
Sentences and Orders Served in the Community - Increased Investment	2017/18	14,562	14,562	14,562	14,562	14,562
Safe, Confident and Resilient Communities: Investment in Policing	2017/18	27,300	27,300	27,300	27,300	27,300
Prisoners at Risk of Self-harm and Suicide - Pilot	2017/18	850	850	850	850	850

### *Reasons for Change in Appropriation*

This appropriation decreased by \$50.595 million to \$1,468.408 million mainly due to:

- a decrease of \$56.237 million in asset management costs largely due to the suspension of sub-optimal prison capacity and asset revaluation impacts, and
- a decrease of \$26.900 million due to the Waikeria Prison incident insurance funding in 2020/21, partly offset by
- an increase in the Waikeria Prison Development including the Waikeria Mental Health and Addiction Service Facility funding of \$17.400 million
- new funding in Budget 2021/22 for the High Impact Innovation Programme to deliver transformation of the criminal justice system, and electronic monitoring demand and price pressures totalling \$9 million
- new funding in Budget 2021/22 of \$4.160 million for the incremental resources, services and digital tools to operationalise the Waikeria Prison Development.