



Department of Corrections
Annual Report - Part B

Statement of Performance

Statement of Responsibility

In accordance with section 45C of the *Public Finance Act 1989*, I am responsible, as Chief Executive of the Department of Corrections, for:

- > the preparation of the Department's financial statements, and Statement of Departmental Expenditure and Capital Expenditure, and for the judgements expressed in them
- > having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- > ensuring that end-of-year performance information on each appropriation administered by the Department is provided in accordance with sections 19A to 19C of the *Public Finance Act 1989*, whether or not that information is included in this annual report
- > the accuracy of any end-of-year performance information prepared by the Department, whether or not that information is included in the annual report.

In my opinion the financial statements and Statement of Performance, including the forecast financial statements fairly reflect the financial position of the Department as at 30 June 2016 and the result of its operations for the year ended on that date.

Signed



Ray Smith

Chief Executive

Date: 30 September 2016

Countersigned



Neil Cherry

Deputy Chief Executive Finance,
Property and Technology

Date: 30 September 2016

Independent Auditor's Report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of the Department of Correction's annual report for the year ended 30 June 2016

The Auditor-General is the auditor of the 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 on her behalf of:

- > the financial statements of the Department on pages 115 to 151, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets and statement of trust monies as at 30 June 2016, the statement of comprehensive revenue and expense, statement of changes in taxpayer's funds, 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;
- > the performance information prepared by the Department for the year ended 30 June 2016 on pages 26 to 76 and 84 to 112
- > the statements of expenses and capital expenditure of the Department for the year ended 30 June 2016 on pages 153 to 154.

OPINION

In our opinion:

- > the financial statements of the Department:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2016; and
 - its financial performance and cash flows for the year ended on that date;
 - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity (PBE) Reporting Standards
- > the performance information of the Department:
 - presents fairly, in all material respects, for the year ended 30 June 2016:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure;
 - complies with generally accepted accounting practice in New Zealand.
- > the statement of expenses and capital expenditure of the Department on pages 153 to 154 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.

Our audit was completed on 30 September 2016. 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 information we audited is free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the information we audited. 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 information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Department's preparation of the information we audited 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 performance information within the Department's framework for reporting performance;
- > the adequacy of the disclosures in the information we audited; and
- > the overall presentation of the information we audited.

We did not examine every transaction, nor do we guarantee complete accuracy of the information we audited. Also, we did not evaluate the security and controls over the electronic publication of the information we audited.

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 that present fairly the Department's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand and PBE Standards;
- > performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- > statement of expenses and capital expenditure, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.

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

The Chief Executive is responsible for such internal control as is determined is necessary to ensure that the annual report is free from material misstatement, whether due to fraud or error. The Chief Executive is also responsible for the publication of the annual report, whether in printed or electronic form.

RESPONSIBILITIES OF THE AUDITOR

We are responsible for expressing an independent opinion on the information we are required to audit, and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

INDEPENDENCE

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

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

A handwritten signature in black ink, appearing to read 'Clint Ramoo', with a stylized, flowing script.

Clint Ramoo

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand

Statement of Performance 2015/16

For the year ended 30 June 2016

Appropriation – Prison-based Custodial Services

This appropriation is limited to the provision of custodial services for offenders lawfully required to be detained in custody. This includes remand prisoners (people awaiting trial and offenders convicted but not yet sentenced), offenders sentenced to imprisonment and any other offender required to be lawfully detained in custody.

WHAT CORRECTIONS DOES

Management of custodial services ensures that prisoners complete the correct imposed sentence or order, comply with the specific restrictions and requirements of their sentence or order, are not harmed, are treated fairly and that their legitimate needs are met. Safe and secure management of custodial facilities maintains public safety, prisoners are safely and securely contained, an appropriate setting for provision of rehabilitative interventions is provided and offenders are held to account.

OPERATING CONTEXT

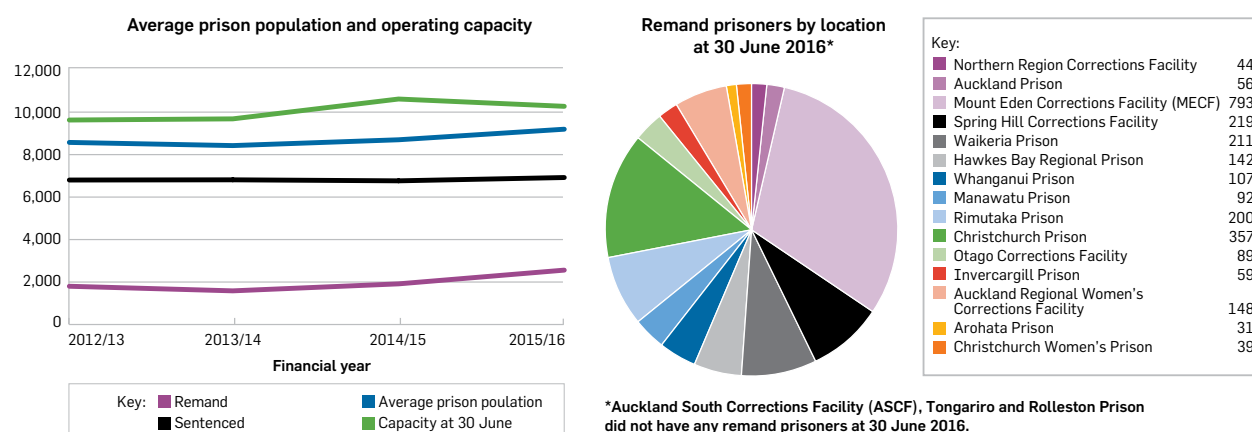
	2013	2014	2015	2016	2016	2017
Activity information	Actual volume	Actual volume	Actual volume	Actual volume	Budget volume ¹	Forecast volume
The number of prisoners received into custody	14,149	13,304	14,029	15,719	19,000 – 20,000	15,000 – 16,000
The number of prisoners released from custody	14,194	13,266	13,719	15,003	8,300 – 8,800	15,000 – 15,500
The average prison population	8,614	8,460	8,732	9,193	8,500 – 8,750	9,250 – 9,500

The average prison population in 2015/16 was 461 (5%) higher than in 2014/15 and the population as at 30 June 2016 was 9,532.

The remandee population has risen by 616 prisoners in 2015/16 compared to 2014/15. Remand prisoners represented 27% of the total prison population for 2015/16, compared with 23% for 2014/15.

The average remand period has risen from 59.4 days in 2014/15 to 67.4 days in 2015/16. The rise in the remand population is partly due to court processing time.

The increase of prisoner volumes has an impact across the network including establishing offender plans, scheduling programmes and the level of demand for health services and transportation.



1 The 2016 budget volumes for number of prisoners received into custody counted all receptions (remand and sentenced prisoners) regardless of time outside of prison. This definition has been revised to include all new receptions after 72 hours of release. The 2016 budget volume for prisoners released from custody only counted sentenced prisoners. The 2016 actual volumes include remandees.

HOW CORRECTIONS PERFORMED

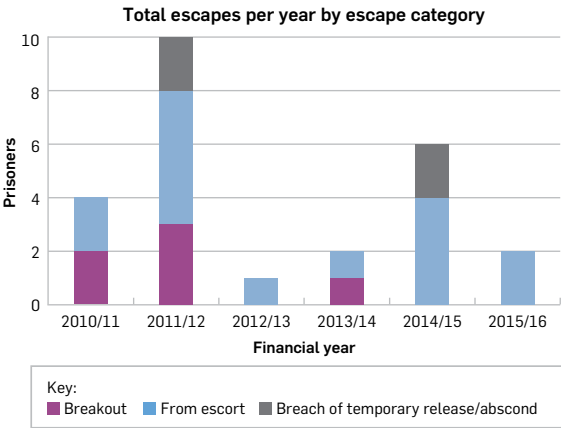
The integrity of sentences and orders

Our ongoing investment in prison infrastructure and efforts to strengthen the custodial management of prisoners, has seen a sustained reduction in breakout escapes from prison. Only one breakout escape has occurred in the last four years and there were zero breakout escapes in 2015/16.

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY						Lower than average across the past 5 years (5)
The number of escapes	1	2	6	2	5	

Corrections managed over 82,000 prisoner movements this financial year. Just over half of these are between prisons and courts. Two prisoners escaped from escorts: one from court, and one from hospital. Both of these prisoners were captured and subsequently returned to prison. A review is undertaken into each escape, and steps are taken where possible to minimise the occurrence of such events in the future.

As part of our continued effort to ensure that prisoners are held securely while serving sentences, Corrections have invested in infrastructure to reduce the risk of prisoners escaping. By utilising Audio Visual Link (AVL) technology, Corrections can minimise the number of times a prisoner needs to be transported outside of the prison environment and investments in transportation and prison escort vehicles enhance the safety and security of the transports that do occur.



A safe Corrections system

Corrections makes use of a number of measures to monitor our performance in the delivery of custodial services, such as monitoring the prison environment.

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY						
The number of prisoner on prisoner assaults that are serious	55	42	38	45	44	Lower than average across the past 5 years (46)
The number of prisoner on staff assaults that are serious	13	6	9	17	10	Lower than average across the past 5 years (11)
The number of justified complaints by prisoners to the Corrections Inspectorate	37	38	42	38	44	Lower than average across the past 5 years (42)
The proportion upheld for not meeting process requirements	–	–	New for 2016	84%	75%	N/A [#]
The percentage of Prison Services Health Centres that retained their Cornerstone [®] accreditation status following completion of an annual review ²	–	–	New for 2016	100%	100%	100%

Although there has been a marginal increase in assaults, this has come at a time when there has been a significant increase in the prison population (an increase of approximately 1,000 prisoners over the last 2 years). Through the implementation of Corrections' Staff Safety Plan and the creation of tools to support the early identification of risks or heightened tensions, Corrections have continued to make the prison system a safer environment.

Over the last three financial years, there has been a slight increase in the rate of prisoner on staff assaults. This financial year has been adversely affected by two incidents involving the same prisoner. In one event the prisoner assaulted three staff members and in a second event, the same prisoner assaulted another staff member. Our response to all serious assaults includes reviewing the prisoner's security classification, revoking privileges and referring the matter to police who then determine whether criminal charges should be laid.

There were over 1,000 complaints referred to the Corrections Inspectorate in 2015/16. Of the complaints received, 38 (3.5 percent) were found to be justified. Of the 38 justified complaints, 6 were upheld for reasons of materiality and 32 for not meeting process requirements.

[#] This measure has been excluded from the 2016/17 budget and will not be reported in this section in 2017.

² To demonstrate that the level of care in prison meet the standards of care that are available in the community, all health centres are required to be accredited under the Cornerstone[®] process. The accreditation process demonstrates that prison health centres meet the Royal New Zealand College of General Practitioners (NZCGP) Aiming for Excellence Standards for New Zealand general practice. In order to retain their accreditation, each health centre undertakes an internal review annually and updates the NZCGP on completion.

Assault mitigations

2015/16 was the third year of the Staff Safety Plan and Corrections has seen an increase in awareness among staff that any violence towards them is unacceptable. Staff are encouraged to report all incidents of assault, regardless of seriousness.

Through our 'Keeping each other safe' initiative all staff have received a Personal Safety booklet, have participated in regular group safety team meetings and have been provided with access to trained regional Corrections welfare officers who provide support as required.

The Health and Safety at Work Act 2015 came into force in April 2016 and Corrections introduced additional safety improvements as a response. Stab resistant body armour has been deployed to Corrections staff, with on-body cameras to be deployed over the next 12 months, both providing better protection when engaging with prisoners. These features are designed to improve safety and security, while maintaining a productive work environment.

During this year Corrections has upgraded the remainder of the prison escort fleet to have single cells for each prisoner. This separation enhancement within the vehicle protects prisoners from potential assaults during transport.

The new Prison Tension Assessment Tool, currently being trialled at Manawatu and Rimutaka Prisons and in parts of Spring Hill Corrections Facility, helps staff to identify and assess daily changes in the overall level of tension and ensures that staff are aware of this prior to beginning their shifts. This information is used by unit and site management to take any specific or site-wide actions that are necessary, to ensure staff and prisoner safety throughout the facility.

The Prison Tension Assessment Tool sits alongside the Dynamic Appraisal of Situational Awareness (DASA) tool, which is targeted more specifically at individual prisoners within a unit (although, if applied across multiple prisoners, it can indicate risk across the unit) and the Promoting Risk Intervention by Situational Management (PRISM) tool, which looks at systemic issues within the prison environment that may be contributing to violence.

Each one of these improvements helps to maintain a safe and secure prison system.

HOW MUCH DID IT COST?

For the year ended 30 June 2016

	2015	2016			2017
	Actual [†]	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	790,423	840,996	811,289	846,393	896,220
Departmental	140	1,042	–	1,085	–
Other	7,935	13,249	2,486	13,034	3,390
Total revenue	798,498	855,287	813,775	860,512	899,610
Total expenses	791,304	853,093	813,775	858,858	899,610
Net surplus	7,194	2,194	–	1,654	–

[†]From 2016 the Contract Management of Services Provided by Third Parties appropriation has been integrated into the Prison-based Custodial Services appropriation.

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016. The Prison-based Custodial Services appropriation has been merged into a Multi-Category Appropriation called 'Public Safety is Improved' for 2017 in order to align the appropriations with Corrections' strategic outcomes.

The total expense for this appropriation was \$853.1 million. The Corrections network includes 18 prison sites across the country and a significant amount of expenditure therefore relates to costs associated with the ownership, management and operation of these assets; this includes depreciation, asset maintenance and capital charge. Total expenditure also includes payments made to SecureFuture Wiri Limited for the operation and maintenance of the Auckland South Corrections Facility (ASCF).

Personnel costs is another significant cost associated with this appropriation as frontline staff account for a large proportion of Corrections overall staffing numbers.

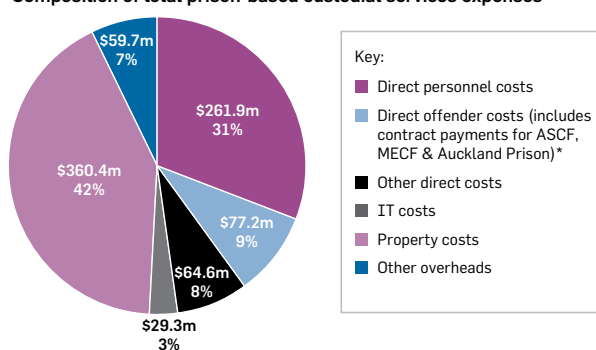
Refer to the chart for the composition of total expenditure by major expense category.

Actual expenditure was \$61.8 million higher than 2015 actuals, mainly due to:

- > increased contract costs of \$36.5 million, relating to a full year of operations at ASCF which opened in May 2015
- > increased asset ownership costs of \$15.1 million, including capital charge and depreciation, of which \$7.0 million relates to a full year depreciation impact of ASCF
- > increased personnel costs including the impact of the annual remuneration review and the management of a higher prison population.

Other revenue mainly comprises proceeds received from Serco in full settlement of costs incurred by Corrections due to the Step-In at MECF, insurance proceeds received in 2015/16 in relation to the Spring Hill Corrections Facility riot costs that were incurred in previous years and board charged to prisoners on Release to Work.

Composition of total prison-based custodial services expenses



*Auckland South Corrections Facility (ASCF) and Mount Eden Corrections Facility (MECF)

Appropriation – Sentences and Orders Served in the Community

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

WHAT CORRECTIONS DOES

Corrections manages home detention sentences, which are imposed by the courts and require the offender to reside at an approved address under strict conditions and monitoring, sometimes including electronic monitoring (EM).

Corrections also manages offenders in the community, including those serving community work sentences, community detention, supervision and intensive supervision orders.

Post-release conditions are also managed by Corrections. Post-release conditions are imposed by the courts at the time of sentencing for prisoners with short sentences. It also includes parole orders imposed by the New Zealand Parole Board (NZPB) and extended supervision orders imposed by the courts, with additional special conditions set by the NZPB to actively manage the risks posed by high-risk violent and/or sexual offenders in the community.

Corrections also manages offenders on electronic monitoring, which can include those monitored as a condition of bail while awaiting a court hearing (EM Bail) and those serving community-based sentences.

Corrections ensures the effective and safe management of offenders in the community through the use of Standards of Practice for probation officers. These are unique to each sentence or order and set the expected level of service, monitoring and compliance required for each offender.

OPERATING CONTEXT

The integrity of sentences and orders is maintained when offenders in the community comply with and complete their sentences and orders and are held to account if they do not. This is a key facet in public safety, which is always our bottom line.

Compliance is achieved when offenders follow all directives and restrictions inherent to the sentence or order (such as attendance at programmes, non-association orders, residential or employment restrictions), experience appropriate consequences in the event of non-compliance and complete the imposed sentence or order.

Any failure by an offender to adhere to a requirement of the sentence is considered to be non-compliance. This could include failure to report as instructed, breaking a curfew, or failure to notify Corrections of an address change.

	2013	2014	2015	2016	2016	2017
Activity information	Actual volume	Actual volume	Actual volume	Actual volume	Budget volume	Forecast volume
The average number of home detention sentences being served	2,854	2,947	2,827	2,893	2,700 – 3,000	2,800 – 3,000
The average number of community-based sentences being served						
– Supervision	8,243	7,751	7,300	7,597		
– Intensive supervision	2,464	2,381	2,577	2,867		
– Community work	17,702	15,825	15,963	15,014		
– Community detention Sentence	1,950	1,719	1,655	1,600		
Total	30,359	27,676	27,495	27,078	26,500 – 29,500	26,000 – 29,000
The average number of post-release orders being served						
– Post-release conditions	3,350	3,277	3,218	3,581		
– Parole/residential restrictions	2,360	2,404	2,428	2,301		
– Extended supervision	207	218	226	215		
Total	5,917	5,899	5,872	6,097	5,400 – 5,700	5,444
The total number of new home detention sentences commenced	3,527	3,340	3,253	3,473	3,300 – 3,500	3,300 – 3,500
The total number of new community-based sentences commenced	54,561	49,018	46,463	44,805	47,000 – 49,000	48,325
The total number of new post-release orders commenced	5,999	5,779	5,951	6,420	5,700 – 6,000	5,403

The average number of offenders in the community has remained relatively stable at approximately 36,000, however the mix of this grouping has been shifting over time with home detention, supervision orders and post release orders increasing in the past year.

The shift in the number of offenders serving different sentences and orders is largely due to offenders committing crimes of a more serious nature, who therefore require additional resources for monitoring and rehabilitation. Upon release, these same offenders are generally given additional conditions from the New Zealand Parole Board.

Sentence types by average number of offenders					
	2011/12	2012/13	2013/14	2014/15	2015/16
Community detention	1,770	1,950	1,719	1,655	1,600
Community work	20,892	17,702	15,825	15,963	15,014
Extended supervision	192	207	218	226	215
Intensive supervision	2,531	2,464	2,381	2,577	2,867
Supervision	7,883	8,243	7,751	7,300	7,597
Home detention	1,469	1,610	1,618	1,557	1,620
Post detention conditions	1,224	1,244	1,329	1,270	1,273
Parole/residential restrictions	2,303	2,360	2,404	2,428	2,301
Post release conditions	3,473	3,350	3,277	3,218	3,581
Compassionate release	0	0	1	1	2
EM bail	–	–	–	161	430
Returning offender orders	–	–	–	–	172*

* An average number has not been used given Returning Offender Orders came into effect in late 2015. Consequently numbers are stated as at 30 June 2016.

Electronic Monitoring Bail (EM Bail)

	2013	2014	2015	2016	2016	2017
Activity information	Actual volume	Actual volume	Actual volume	Actual volume	Budget volume	Forecast volume
The number of new EM Bail conditions imposed ³	New for 2014	392	814	966	750 – 800	1,400
The average number of EM Bail conditions ³	New for 2014	273	335	419	300 – 350	600

Corrections has continued to see a rise in the average number of offenders subject to EM Bail conditions, which allows offenders to continue to live and work in the community while awaiting trial, rather than being held in custody.

There are a number of factors that have contributed to the increased use of EM Bail, including:

- > confidence from the Judiciary in the ability of Corrections to adequately monitor high-risk defendants through the use of Global Positioning System (GPS)
- > a reduction in the turnaround time for EM Bail Suitability Reports, from 15 to 10 working days
- > more information about what EM Bail is and how to apply for it is available to defendants in the custodial system
- > the number of applications made to the courts has increased
- > Child, Youth and Family have been promoting EM Bail to youth defendants.

3 Full transition of EM Bail operations from NZ Police was completed during January 2014, meaning 2015/16 was the first full year that Corrections was operationally responsible for EM monitoring. This has seen the number and average number of EM Bail conditions increase from 2013/14.

HOW CORRECTIONS PERFORMED

Management and delivery of sentences and orders in the community

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY AND TIMELINESS						
Compliance with mandatory standards for home detention sentences ⁴	96%	94%	95%	88%	≥ 98%	N/A [#]
Compliance with mandatory standards for community-based sentences ⁴	95%	93%	95%	93%	≥ 98%	N/A [#]
Compliance with mandatory standards for post-release orders ⁴	98%	96%	97%	93%	≥ 98%	N/A [#]

For 2015/16 Corrections introduced technology which enables community-based staff to access real time information around standards that need to be met, which allows the Department to analyse performance at a more granular level than was possible in previous years.

Completion of standards can be impacted by offenders not attending appointments, which means that the probation officer is unable to meet the standard within the specified timeframe.

This provides useful information which aligns with the work we undertake and helps to identify where follow up work may be required. Using more real time data allows probation officers the ability to respond more quickly to non-compliance, which improves public safety and sentence accountability.

This measure has been excluded from the 2016/17 budget and will not be reported in this section in 2017.

4 The mandatory standards indicators measure the expected level of service to be delivered by probation officers. Probation's purpose is to contribute to safer communities by holding offenders to account and managing them to: comply with their sentences and orders, reduce their likelihood of re-offending and minimise their risk of harm to others. Each mandatory standard links to at least one of the three elements of probation's purpose providing a rationale for that standard. A set of definitions is provided to probation officers to ensure consistency of understanding the application.

HOW MUCH DID IT COST?

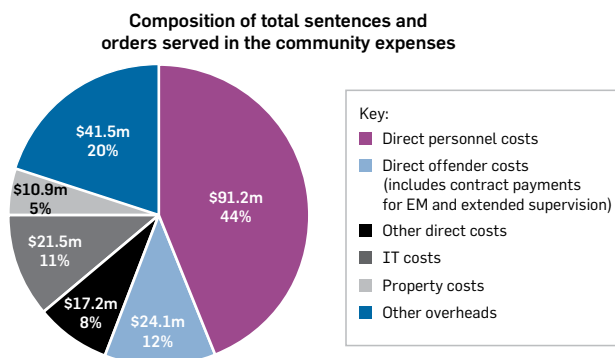
For the year ended 30 June 2016

	2015	2016			2017
	Actual	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	215,151	207,328	212,539	210,785	209,104
Departmental	27	98	–	102	–
Other	–	–	–	–	–
Total revenue	215,178	207,426	212,539	210,887	209,104
Total expenses	213,723	206,387	212,539	210,887	209,104
Net surplus	1,455	1,039	–	–	–

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016. The Sentences and Orders Served in the Community appropriation has been merged into a Multi-Category Appropriation called 'Public Safety is Improved' for 2017 in order to align the appropriations with Corrections' strategic outcomes.

The total expense for this appropriation was \$206.4 million. The largest category of costs within this output class related to direct personnel expenditure. Other costs associated with this output class include property costs such as rent and utilities, vehicle costs and contract management costs including the electronic monitoring of offenders.

Refer to the chart below for the composition of total expenditure by major expense category.



Actual expenditure was \$7.3 million lower than 2015 actuals, mainly due to:

- > one-off project costs in 2015 associated with the transfer of all EM services to one provider
- > costs associated with the provision of information for EM Bail applications being reallocated to the Information and Administrative Services to the Judiciary and New Zealand Parole Board appropriation.

Actual expenditure was lower than Supp. estimates, mainly reflecting pre-approved in-principle expense transfers for Alcohol and Drug Testing of Offenders and Bailees in the Community, Management of Offenders Returning to New Zealand and Public Safety (Public Protection Orders).

Appropriation – Rehabilitation and Reintegration

This appropriation is limited to the provision of case management and interventions designed to address the underlying causes of criminal re-offending.

WHAT CORRECTIONS DOES

Corrections reduces re-offending by providing offenders with opportunities for rehabilitation and reintegration through five outputs: case management, rehabilitation, training and education, offender employment and reintegration. Providing these opportunities allows offenders to have the skills and support to lead law-abiding lives after the end of their sentences and orders.

Case management focuses on planning and managing a prisoner's rehabilitation and reintegration needs, which are reflected in high quality offender plans for each individual.

Rehabilitation challenges behaviours that lead to offending. When appropriate programmes and pathways are made available and offenders are motivated to take part in them, there is a better chance that they will successfully reintegrate into the community at the end of their sentence or order.

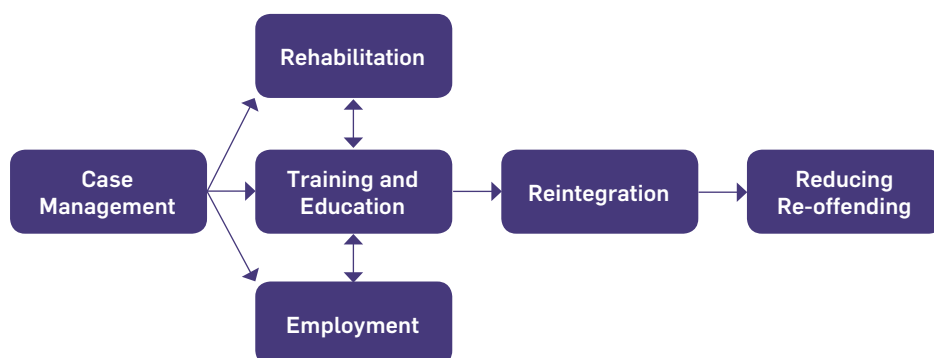
Corrections provides training and education that supports offenders to address lifelong learning barriers and to gain recognised qualifications and employment experience.

Offender employment opportunities provided by Corrections look to develop work habits, experience, training and skills, increasing offenders' chances for post-release employment.

Reintegration services managed by Corrections focus on creating pathways for people integrating back into the community, by assisting them to address employment, accommodation, living skills, health/well-being, community links and other reintegration needs.

OPERATING CONTEXT

The offender journey as it relates to rehabilitation and reintegration:



Corrections have developed targeted strategies to reduce re-offending:

- > tackling alcohol and drug abuse
- > more rehabilitation that works
- > interventions delivered by probation staff
- > education, job skills and working prisons
- > real jobs on release
- > partnering with iwi and community groups.

Case management

The process of case management encompasses the planning and management of a prisoner's rehabilitation and reintegration needs, which are detailed in an individual offender plan.

Case managers work with offenders in custody to facilitate services and deliver active and caring support to prepare the offender to live an offence-free life and to ensure a successful transition to probation colleagues or directly into the community.

After creating an offender plan, the case managers then manage the plan proactively throughout the sentence to ensure the offender is able to complete the required interventions, often by assisting the offender to resolve barriers to rehabilitation or facilitating external services to meet their needs.

REHABILITATION AND REINTEGRATION

Rehabilitation

Corrections strives to break the cycle of re-offending by identifying and working with those who are most likely to re-offend.

Research has shown that re-offending is not reduced simply by incarcerating offenders, or by increasing the harshness of their sentences. Well-designed and delivered programmes can have a real effect on re-offending.

Corrections assesses each and every offender to provide programmes that are appropriate to their level of risk, rehabilitative needs and ability to be responsive to the programme. Programmes include motivation to change, cognitive-behavioural interventions and general skills.

Reintegration

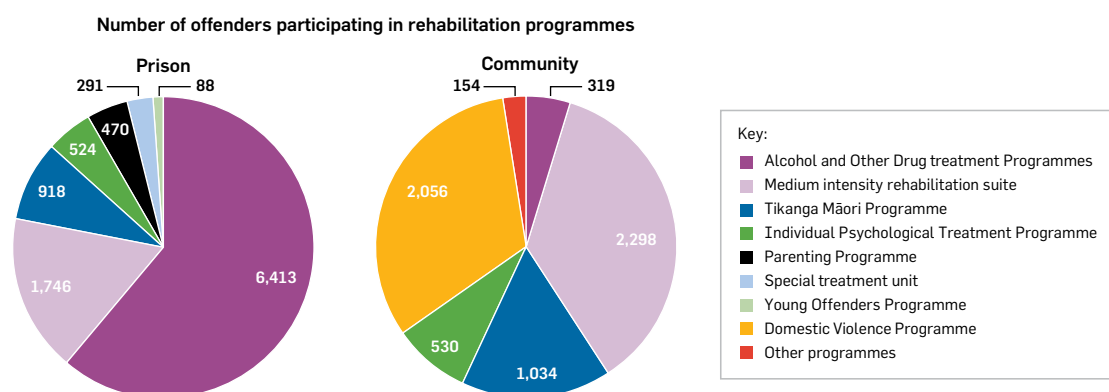
Research also shows that people are less likely to re-offend if they have the right support around them, which helps to keep everyone safe. The key areas are employment, accommodation, education and training, skills for life and oranga and family/whānau/community relationships. Support can come from many people including family/whānau, community groups, counsellors, employers and Corrections staff.

Reintegration is not just for people leaving prison. People who have served sentences and orders in the community also need help to make a fresh start and play a positive role in their communities and families.

The Industry, Treatment and Learning (ITL) framework is also a key part of reducing re-offending. Corrections began piloting the framework as Working Prisons in 2012 and since then all Corrections-managed prisons have fully transitioned to the framework. ITL prisons engage eligible prisoners in a regular 40 hour work week to prepare them for release and reintegration; the 40 hours are made up of rehabilitation and reintegration, education and training, employment and other constructive activities.

OPERATING CONTEXT

	2013	2014	2015	2016	2016	2017
Activity information	Actual volume	Actual volume	Actual volume	Actual volume	Budget volume	Forecast volume
The number of offenders who have completed a rehabilitation programme:						
- Prisoners	–	New for 2015	6,837	8,372	5,549	9,000 – 9,500
- Community-based offenders	–	New for 2015	3,107	3,648	3,134	4,000 – 4,500

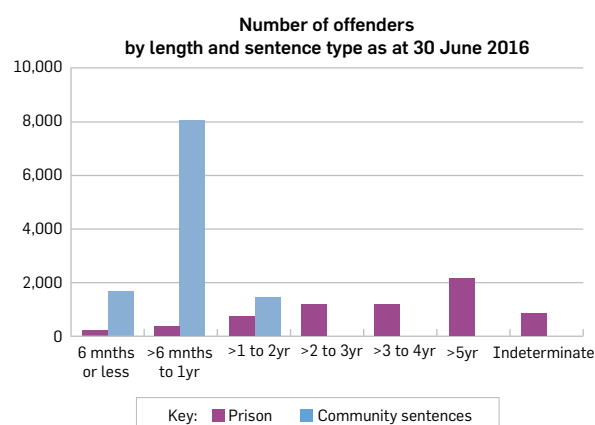


In order to continue our drive towards achieving our reducing re-offending goal, Corrections has taken a more targeted approach to addressing our use of rehabilitation programmes. Through the RR25% Boost initiative, Corrections has focused on increasing the number of short interventions to help more offenders, with the aim of improving their chances of living crime-free after completing their sentences and orders. Corrections has increased access to rehabilitation programmes and boosted participation in industries that lead to sustainable work. Corrections supports offenders and their families in the lead up to leaving prison, providing help to access ongoing treatment, rehabilitation, employment and housing.

The chart below demonstrates that the majority of offenders serving community-based sentences are serving sentences of one year or less. By increasing access to interventions in our largest cohort, Corrections is able to help more offenders to address their rehabilitation needs.

The initiative to lift participation rates has raised the number of prisoners who have completed rehabilitation programmes by 22% in 2015/16 to 8,372, up from 6,837 in 2014/15. Similarly, the number of community-based offenders who complete a rehabilitation programme has risen by 17% to 3,648 in 2015/16, up from 3,107 in 2014/15.

The cost associated with the RR25% Boost initiative has been absorbed within our 2015/16 baseline.



HOW CORRECTIONS PERFORMED

Case management

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY AND TIMELINESS						
The percentage of prisoners entitled to receive an offender plan that received one ⁵	98%	99%	98%	98%	95%	N/A [#]
The proportion of prisoners entitled to receive an offender plan that received one within Practice framework timelines ⁵	–	–	New for 2016	93%	85%	90%

Although there has been an increase in the prison population, Corrections have continued to exceed the performance target in our delivery of offender plans. Offender plans provide the basis for managing and monitoring an offender's needs. Offender plans for remand prisoners focus on reintegration needs, such as accommodation or community support. When an offender follows an offender plan, Corrections are better able to identify and monitor their evolving combination of needs.

This measure has been excluded from the 2016/17 budget and will not be reported in this section in 2017.

5 *Corrections Act 2004* – Section 51 Management Plans. This section applied to every prisoner who is:

- sentenced to imprisonment for a term of more than two months, or
- in custody for a continuous period of more than two months on remand.

Rehabilitation and Reintegration

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY						
The percentage of offenders who start and complete a rehabilitation programme:						
– Prisoners	86%	85%	86%	81%	85%	85%
– Community-based offenders	63%	63%	59%	57%	65%	65%
QUALITY						
The total number of qualifications achieved by prisoners while in prison ⁶						
	3,160	3,858	3,698	4,628	4,240	N/A [#]
The average number of hours engaged in industry and learning activities per prisoner						
	–	–	New for 2016	30	30 – 32	N/A [#]
The number of prisoners who start reintegration services						
	–	–	New for 2016	3,258	4,300	3,500

There has been a significant increase in the number of offenders (prisoner and community-based) who have completed a rehabilitation programme this year compared to 2014/15. This uplift in the number of completions is due to increased access to rehabilitation programmes as a result of the RR25% Boost initiative.

Notwithstanding the increase in the number of offenders completing a rehabilitation programme, there has been a marginal decrease in the percentage of programme completions. The completion rates are expected to improve as the programme was recalibrated to cope with the significant increase in the number of offenders attending rehabilitation programmes.

Corrections is committed to increasing the level of literacy, education and employment training for prisoners and offenders. As a result, more people will have the skills and experience that employers require and will have a better chance of obtaining work. Offenders who are able to work upon release reduce their overall risk of re-offending.

This measure has been excluded from the 2016/17 budget and will not be reported in this section in 2017.

6 Includes:

- New Zealand Qualifications Framework (NZQF) National Certificates and other NZQF Certificates levels 2, 3 or above as a completed qualification
- Limited Credit Programmes and Modularised Training Programmes
- Trade Tickets (industry specific license to practice e.g. welding)
- Vocational driver licenses
- Health and Safety qualification accredited by Industry Training Organizations (ITOs), e.g. First Aid, Grow Safe and Site Safe
- NCEA qualifications completed while in prison.

The following table shows that the number of qualifications achieved by prisoners continues to exceed expectations.

Level	Type	2015 Actual	2016 Actual	Change %
LESS THAN LEVEL ONE	LCP / MTP	92	61	
	Trade Ticket	24	12	
	National Certificate or equivalent	–	3	
	Other (Welding qualification test)	5	24	
Qualifications achieved		121	100	(17%)
LEVEL ONE	LCP / MTP	73	72	
	National Certificate or equivalent	159	360	
Qualifications achieved		232	432	86%
LEVEL TWO	Driver Licence	229	159	
	LCP / MTP	1,112	1,152	
	National Certificate or equivalent	869	963	
	Health and Safety	453	584	
	Trade Ticket	29	–	
Qualifications achieved		2,692	2,858	6%
LEVEL THREE	LCP / MTP	478	999	
	National Certificate or equivalent	167	217	
Qualifications achieved		645	1,216	89%
LEVEL FOUR	National Certificate or equivalent	8	22	
Qualifications achieved		8	22	175%
TOTAL		3,698	4,628	25%

HOW MUCH DID IT COST?

For the year ended 30 June 2016

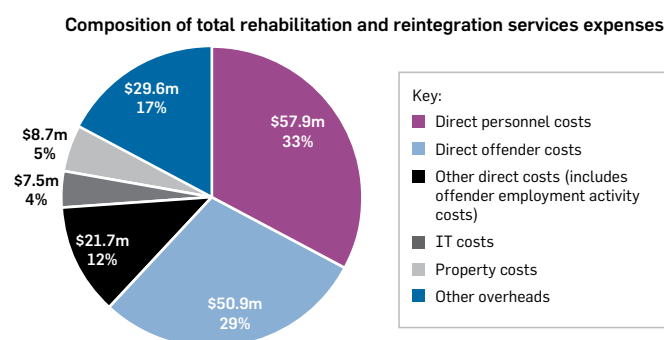
	2015	2016			2017
	Actual	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	134,770	145,982	162,649	149,925	152,689
Departmental	40	174	–	181	–
Other	39,204	23,038	29,694	23,876	29,498
Total revenue	174,014	169,194	192,343	173,982	182,187
Total expenses	169,122	176,308	192,343	180,300	182,187
Net (deficit)/surplus	4,892	(7,114) **	–	(6,318) **	–

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016.

**Corrections obtained Cabinet approval to run an output class deficit for 2016 as a result of an expected shortfall in offender employment activity revenue, with the expectation that sufficient future surpluses will be retained to cover the deficit.

The total expense for this appropriation was \$176.3 million. Direct expenses accounted for 74% of total expenses in 2016, which included approximately \$82.1 million on the provision of intervention programmes and case management, \$30.3 million on offender employment activities, and \$18.1 million on psychological services.

Refer to the chart below for the composition of total expenditure by major expense category.



Actual expenditure was \$7.2 million higher than 2015 actuals, mainly due to:

- > increased contract costs of \$12.2 million relating to a full year of operations at ASCF which opened in May 2015 (contract expenditure being split between custodial and rehabilitation)
- > increased programme facilitator costs to support the RR25% Boost initiative, partly offset by
- > a reduction in offender employment activity costs of \$5.5m following the sale of the Tongariro/Rangipō forest crop at 30 June 2015.

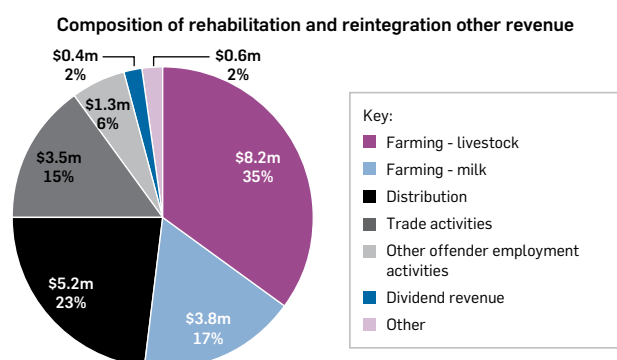
Actual expenditure was lower than Supp. estimates, mainly reflecting pre-approved in-principle expense transfers for the Out of Gate programme and the Alcohol and Other Drug Aftercare initiative.

Other revenue mainly comprises sale of goods relating to offender employment activities, over half of which relates to farming.

Other revenue was \$16.2 million lower than 2015 actuals, mainly due to the sale of the Tongariro/Rangipō forest crop and land at 30 June 2015, and a continued reduction in milk prices.

Other revenue was slightly lower than Supp. estimates mainly due to timing of livestock sales.

Refer to the chart below for the composition of other revenue.



Appropriation - Information and Administrative Services to the Judiciary and 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 (NZPB) and the provision of administrative, financial and secretariat services to the NZPB.

WHAT CORRECTIONS DOES

Information services to the Judiciary 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 probation initiated proceedings. This output ultimately supports the Judiciary to make informed decisions.

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

Information and administrative services focuses on the administration of victim notification services. Corrections has a responsibility to notify eligible victims about specific events as detailed in the *Victims' Rights Act 2002*. The NZ Police refer details of eligible victims to Corrections.

OPERATING CONTEXT

	2013	2014	2015	2016	2016	2017
Activity information	Actual volume	Actual volume	Actual volume	Actual volume	Budget volume	Forecast volume
The number of court attendance hours	97,561	106,740	83,651	108,713	99,000 – 101,000	109,000 – 111,000
The number of Electronic Monitoring Bail (EM Bail) applications submitted to court	New for 2014	1,319	2,835	3,794	2,500	3,818
The number of NZPB hearings where administrative support is required	8,614	8,718	8,045	8,113	8,000 – 8,500	8,000 – 8,500

HOW CORRECTIONS HAVE PERFORMED

Information services to the Judiciary

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
TIMELINESS						
The percentage of reports provided to court within agreed timeframes before sentencing: ⁷						
– Probation reports	94%	94%	94%	88%	95%	95%
– Psychological reports	84%	94%	89%	99%	95%	95%

In the 2015/16 financial year there has been a significant increase in the volume of reports expected to be provided to court as a result of additional sentencing being introduced. In addition, timeframes to deliver probation reports have reduced from 20 to 15 working days (if the offender is in custody) and 30 to 15 working days (for all other cases). Last financial year it took an average of 20 working days to complete a probation report, whereas in this financial year it took an average of 16 working days to complete the same report. Although Corrections has improved on the average time to complete a probation report, the shorter delivery targets remain a challenge and mean that Corrections is continuing to look at options to further accelerate the delivery timeframes.

Information services to the New Zealand Parole Board (NZPB)

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
TIMELINESS						
The percentage of parole reports provided to agreed timeframes pursuant to NZPB requirements:						
– Parole Assessment reports	88%	88%	90%	92%	75%	90%
– Parole Progress reports	96%	93%	96%	95%	95%	95%
– Psychological reports	94%	94%	95%	93%	90%	95%

Corrections has continued to exceed the performance standard for the quality and timeliness of reports provided to the NZPB.

⁷ Probation reports are completed to timeframes as set out in the Integrated Practice Framework. Specific timeframes are provided in respect of each of the individual report types that are included under the heading of 'probation' reports or such time as agreed with the NZPB. Psychological reports are provided to court at least two working days before sentencing where a request is received.

Administrative services to the New Zealand Parole Board (NZPB)

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY						
The percentage of offenders who are notified as per NZPB requirements ⁸	100%	100%	100%	100%	98%	98%
The percentage of victims who are notified as per NZPB requirements ⁹	100%	100%	100%	100%	98%	98%
TIMELINESS						
The percentage of all cases to be heard by the NZPB that are scheduled no later than 16 weeks from the date of the hearing	100%	100%	100%	100%	98%	98%

Corrections continues to exceed the performance standard for administration services to the NZPB.

Information and administrative services to victims

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY AND TIMELINESS						
The number of justified complaints about notification services received from registered victims ¹⁰	1	2	0	2	0	0

Corrections received two justified complaints for the 2015/16 financial year. Corrections maintain a zero tolerance policy on justified complaints about notification services that registered victims receive; procedures have been changed in light of the two instances in 2015/16 to ensure that similar incidents do not occur again.

⁸ Offenders are notified of an impending hearing and of a Board decision within agreed timeframes.

⁹ Victims are notified of an impending hearing and of a Board decision within agreed timeframes.

¹⁰ The *Victims Rights' Act 2002* imposes clear obligations on specified agencies to provide information and offer assistance to victims of offences. This measure demonstrates that Corrections is meeting its legislative requirements and providing victims with notification of events relating to those who offended against them.

HOW MUCH DID IT COST?

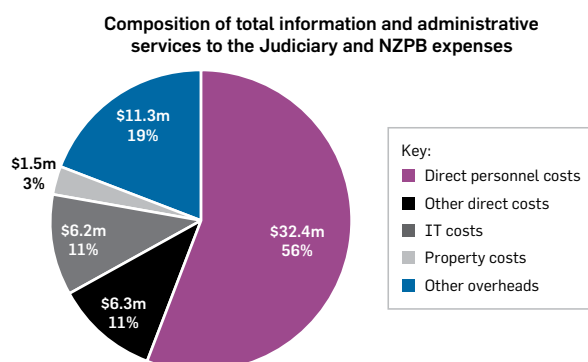
For the year ended 30 June 2016

	2015	2016			2017
	Actual	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	51,687	59,140	50,768	59,140	59,196
Departmental	8	15	–	16	–
Other	–	–	–	–	–
Total revenue	51,695	59,155	50,768	59,156	59,196
Total expenses	51,672	57,672	50,768	59,156	59,196
Net surplus	23	1,483	–	–	–

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016. The Information and Administrative Services to the Judiciary and New Zealand Parole Board appropriation has been merged into a Multi-Category Appropriation called 'Public Safety is Improved' for 2017 in order to align the appropriations with Corrections' strategic outcomes.

The total expense for this appropriation was \$57.7 million. Over half of the costs associated with this appropriation are staff related. Reports written by our staff are used to provide the Judiciary and NZPB with relevant offender information.

Refer to the chart below for the composition of total expenditure by major expense category.



Actual expenditure was \$6.0 million higher than 2014/15 actuals, mainly due to:

- > an increase in probation officer court attendance hours providing advice, information and recommendations on offenders, sentences and interventions
- > costs associated with the provision of information for EM Bail applications being reallocated from the Sentences and Orders Served in the Community appropriation.

Appropriation – Policy Advice and Ministerial Services (Multi-Category Appropriation)

APPROPRIATION: POLICY ADVICE

This output class 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.

WHAT CORRECTIONS DOES

Corrections provides advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters.

OPERATING CONTEXT

Policy advice was provided across a number of issues including:

- > *Sentencing (Electronic Monitoring of Offenders) Legislation Bill* as it moved through Select Committee stages
- > *Drug and Alcohol Testing of Community-based Offenders and Bailees Legislation Bill*, through Select Committee stages
- > Advice on potential amendments to governing legislation, including the *Corrections Act 2004* and associated regulation
- > Working with NZ Police to support the *Child Protection (Child Sex Offender Register Bill)* through Select Committee stages
- > Ensuring that offenders deported from other countries are managed appropriately
- > Development of *Breaking the cycle: Our drug and alcohol strategy through to 2020*
- > Collaborative work to improve identity management in the Justice Sector.

HOW CORRECTIONS PERFORMED

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
POLICY ADVICE AND MINISTERIAL SERVICES						
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)	–	New for 2015	91%	94%	84%	84%
QUALITY						
Technical quality of policy advice papers assessed by a survey with methodological robustness of 90% ¹¹	New for 2014	75%	75%	72%	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 (measure through an annual survey) ¹²	New for 2014	100%	83%	82%	78%	78%
COST						
The total cost per output hours of professional staff time devoted to policy advice and other policy functions ¹³	New for 2014	\$98	\$92	\$98	\$105	\$105

Corrections met all the performance standards for this output, with the quality of advice and Ministerial satisfaction above the performance standard.

11 This indicator provides a standardised score for the policy technical quality reviews undertaken by the third party assessor, in this case the New Zealand Institute of Economic Research.

12 This indicator is a quantitative representation of the Minister of Corrections' satisfaction with the policy advice provided by Corrections against the following standards:

- completeness/alignment
- timeliness
- robustness
- value for money
- likelihood to recommend
- overall satisfaction and possible improvements in the delivery of policy advice.

13 This indicator provides the total costs of an hour of professional staff time devoted to both policy advice and other policy unit outputs. Total cost includes labour, overhead, support staff, direct costs and outsourced work to support output production.

HOW MUCH DID IT COST?

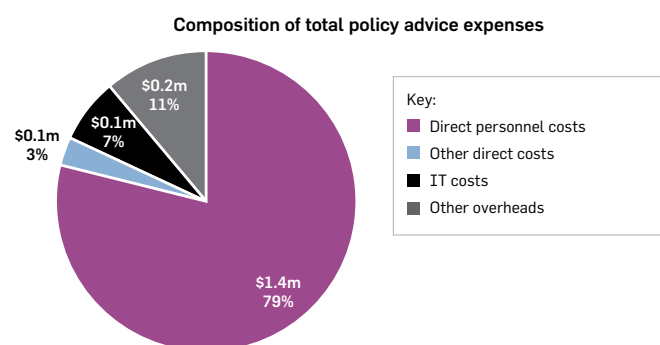
For the year ended 30 June 2016

	2015	2016			2017
	Actual	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	3,836	1,644	3,331	1,644	1,646
Departmental	–	–	–	–	–
Other	–	–	–	–	–
Total revenue	3,836	1,644	3,331	1,644	1,646
Total expenses	3,332	1,785	3,331	1,644	1,646
Net (deficit)/surplus	504	(141)	–	–	–

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016.

The total expense for this appropriation was \$1.8 million. Expenses within this output class are primarily staff related costs incurred in providing policy advice.

Refer to the chart below for the composition of total expenditure by major expense category.



Actual expenditure was \$1.5 million lower than 2015 actuals, mainly due to a change in cost allocation methodology relating to research expenditure. In 2015 all research expenditure was allocated to this output class, while allocations for this year reflect the contribution of such expenditure to multiple output classes (e.g. research on rehabilitation activity is now recognised in the Rehabilitation and Reintegration output class if not directly linked to a current policy).

APPROPRIATION - MINISTERIAL SERVICES

This output is limited to the provision of responses to ministerial correspondence and parliamentary questions.

WHAT CORRECTIONS DOES

Corrections provide responses to ministerial correspondence and parliamentary questions.

OPERATING CONTEXT

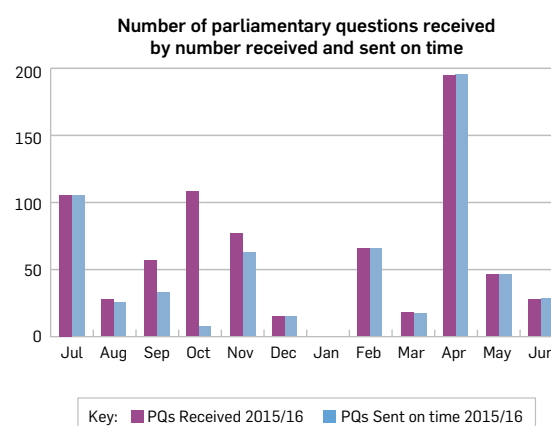
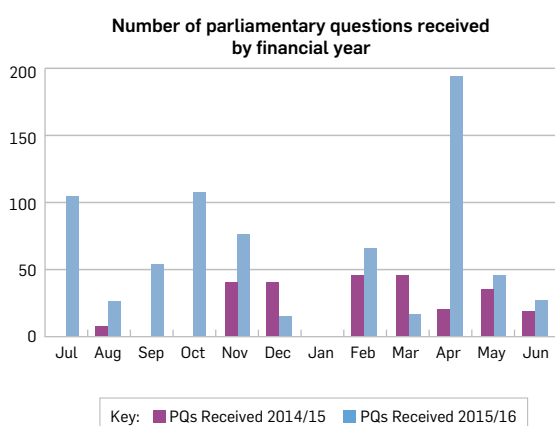
Corrections ensures that timely, accurate and relevant responses are provided to ministerial correspondence, parliamentary questions, and requests for information made under the *Official Information Act*.

HOW CORRECTIONS PERFORMED

	2013	2014	2015	2016	2016	2017
Assessment of performance	Actual standard	Actual standard	Actual standard	Actual standard	Budget standard	Budget standard
QUALITY						
The percentage of ministerial draft correspondence that is signed without changes	96%	96%	98%	97%	90%	95%
TIMELINESS						
The percentage of all responses to parliamentary questions that are completed within five working days	100%	99%	98%	81%	98%	98%
The percentage of responses to ministerial draft correspondence that are completed within 20 working days	100%	100%	100%	100%	98%	98%

From September to November, Corrections traditionally receives a low volume of parliamentary questions (PQs) and our resource capacity model reflects these historical volumes. Due to an unexpected increase in both the number and complexity of questions, Corrections were unable to deliver 100% of the parliamentary questions during this period. Corrections have since increased resource capacity and from December to year end Corrections answered 100% of parliamentary questions within five working days.

Refer to the charts below for the comparison of the number of parliamentary questions received this financial year compared to last financial year and the number of parliamentary questions answered this year compared to the number received.



HOW MUCH DID IT COST?

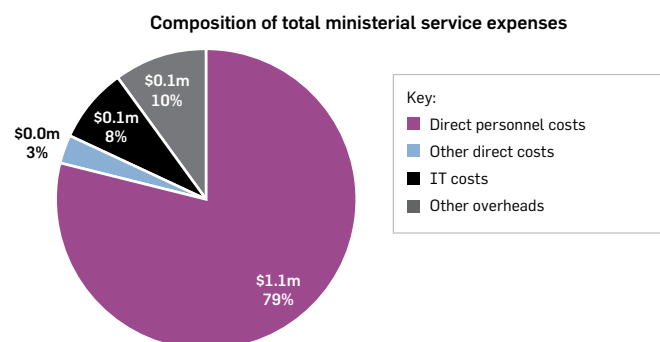
For the year ended 30 June 2016

	2015	2016			2017
	Actual	Actual	Budget	Supp. estimates	Forecast*
	\$000	\$000	(unaudited) \$000	(unaudited) \$000	(unaudited) \$000
REVENUE					
Crown	976	1,640	1,040	1,640	1,041
Departmental	–	–	–	–	–
Other	–	–	–	–	–
Total revenue	976	1,640	1,040	1,640	1,041
Total expenses	1,008	1,341	1,040	1,640	1,041
Net surplus/(deficit)	(32)	299	–	–	–

*Forecast financial statements have been prepared using Budget Economic Fiscal Update (BEFU) 2016.

The total expense for this appropriation was \$1.3 million. Expenses within this output class are primarily staff related costs incurred in providing responses to ministerial and parliamentary questions.

Refer to the chart below for the composition of total expenditure by major expense category.



Glossary of Terms

Appropriation	An appropriation is a parliamentary authorisation for the Crown or an Office of Parliament to incur expenses or capital expenditure.
Actual	For an amount, the actual incorporates the actual amount spent for the financial year.
Budget	For an amount, the budget incorporates the amount set for spending at the start of the year.
Community detention	Community detention (CD) is a community-based sentence that requires the offender to comply with an electronically-monitored curfew imposed by the court. Offenders can be sentenced to CD for up to six months. Curfews can total up to 84 hours per week. The minimum curfew period is two hours.
Community work	The sentence of Community work requires offenders to do unpaid work in the community for non-profit organisations.
Driver Licence	Qualifications composed of unit standards authorising individuals to drive prescribed types of vehicles.
Escape	Refers to any incident when a prisoner has become free of custodial control. Escapes are categorised irrespective of whether external charges are laid against the prisoner for escaping custody. Corrections has four categories of escape: - breakout - from escort - absconding - breach of temporary release
Expenses	Amounts consumed or losses of service potential or future economic benefits, other than those relating to capital withdrawals, in a financial year (an accrual concept measured in accordance with generally accepted accounting practice).
Extended supervision	Extended supervision is aimed at managing long-term risks posed by child sex offenders in the community. An extended supervision order, imposed by the court, allows Corrections to monitor child sex offenders for up to ten years following their prison sentence.
Forecast	For an amount, the forecast incorporates the amount or volumes that have been set for spending in the coming year.
Health and Safety	Qualifications sanctioned by Industry Training Organisations (ITO), underpinned by or containing unit standards. Examples are: First Aid, Grow Safe and Site Safe.
Home detention	Home detention (HD) is a sentence that requires an offender to remain at an approved residence at all times under electronic monitoring and close supervision by a probation officer. It can help offenders to maintain family relationships, keep working or actively seek work, attend training or rehabilitative programmes. Sentences may range in length from 14 days to 12 months.
Intensive supervision	Intensive supervision is a rehabilitative community-based sentence that requires offenders to address the causes of their offending with intensive oversight from a probation officer. Offenders can be sentenced to intensive supervision for between six months and two years.
Internal services employment activity	Internal services activities include asset maintenance, catering, distribution of goods, grounds maintenance, laundry, manufacturing and sundry services.

Justified complaints	Justified complaints are complaints received by the Inspectorate about the treatment of prison-based offenders, where the complaint has required the Inspector's intervention in order to bring about a resolution.
Limited Credit Programme (LCP)	Qualification listed on the NQF administered by the NZQA, composed of a number of unit standards and is a pathway towards a National Certificate.
Modularised Training Programme (MTP)	Qualification not listed on the NQF administered by an Industry Training Organisation (ITO), composed of a number of unit standards and is a pathway towards a National Certificate.
National certificate	Qualification listed on the National Qualifications Framework (NQF) administered by the New Zealand Qualification Authority (NZQA), composed of a prescribed number of unit standards and is a complete qualification.
Outputs	Goods or services supplied by departments and other entities to external parties. Outputs are a variety of types, including policy advice, administration of contracts and grants and the provision of specific services.
Post-release conditions	When an offender is released from prison they are required to comply with their standard and/or special conditions of release. These conditions are imposed by the NZPB. The conditions can be for six months or more.
Primary employment activity	Primary activities include farming, dairy and horticulture.
Reintegration	Reintegration services build upon the rehabilitation programme provided within New Zealand's prisons, enabling and supporting offenders' transitions into the community, or assisting offenders servicing sentences in the community to fulfil the conditions of their sentences and orders. Reintegration services are demand driven and can be accessed by offenders while in custody (remand and sentenced) and post release. The timing of reintegration is based on the offender's needs and supports other interventions.
Residential restrictions	Under the <i>Parole Act 2002</i> , the NZPB can impose special release conditions on an offender's release. One of these conditions is residential restrictions requiring the offender to remain at a specified residence at all times or at times specified by the Board.
Serious assault	Defined as an act of violence that involves one or more of the following: – sexual assault of any form or degree where police charges have been laid or – physical assault resulting in bodily harm requiring medical intervention by medical staff or – physical assault resulting in bodily harm requiring extended periods of ongoing medical intervention.
Supervision	Supervision is a rehabilitative community-based sentence that requires offenders to address the causes of their offending. Offenders can be sentenced to supervision for between six months and one year.
Supp. estimates	For an amount, the Supp. estimates incorporate all changes since the budget and becomes the final amount for spending for the financial year.
Timber employment activity	Timber activities include building refurbishment or joinery.
Trade Ticket	Qualification underpinned by unit standards indicating trade currency and competency. Examples: 4711 Welding Ticket or Electrical Limited Regulation Ticket.