

# *Vote Corrections*

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

APPROPRIATION ADMINISTRATOR: Department of Corrections

RESPONSIBLE MINISTER FOR DEPARTMENT OF CORRECTIONS : Minister of Corrections

# Details of Appropriations and Capital Injections

## Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2015/16		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Information and Administrative Services to the Judiciary and New Zealand Parole Board (M18)</b> This appropriation is limited to the provision of information about offenders to victims of crime, the Judiciary and the New Zealand Parole Board, and the provision of administrative, financial and secretariat services to the New Zealand Parole Board.	50,768	8,388	59,156
<b>Prison-based Custodial Services (M18)</b> 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), those offenders sentenced to imprisonment, and any other offender required to be lawfully detained in custody.	813,775	45,083	858,858
<b>Rehabilitation and Reintegration (M18)</b> This appropriation is limited to the provision of case management and interventions designed to address the underlying causes of criminal re-offending.	192,343	(12,043)	180,300
<b>Sentences and Orders Served in the Community (M18)</b> This appropriation is limited to the management and delivery of sentences and orders in the community, and electronic monitoring of people on bail.	212,539	(1,652)	210,887
<b>Total Departmental Output Expenses</b>	1,269,425	39,776	1,309,201
<b>Departmental Capital Expenditure</b>			
<b>Department of Corrections - Capital Expenditure PLA (M18)</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.	298,295	9,350	307,645
<b>Total Departmental Capital Expenditure</b>	298,295	9,350	307,645
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Policy Advice and Ministerial Services MCA (M18)</b> The 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.	4,371	(1,087)	3,284
<i>Departmental Output Expenses</i>			
<i>Ministerial Services</i> This category is limited to Department responses to ministerial correspondence and parliamentary questions.	1,040	600	1,640
<i>Policy Advice</i> 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.	3,331	(1,687)	1,644
<b>Total Multi-Category Expenses and Capital Expenditure</b>	4,371	(1,087)	3,284
<b>Total Annual and Permanent Appropriations</b>	1,572,091	48,039	1,620,130

## Capital Injection Authorisations

	2015/16		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Department of Corrections - Capital Injection (M18)	-	4,508	4,508

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2015/16				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	1,269,425	39,776	-	39,776	1,309,201
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	298,295	9,350	-	9,350	307,645
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	4,371	(1,087)	-	(1,087)	3,284
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	1,572,091	48,039	-	48,039	1,620,130
<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	-	-	-

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Information and Administrative Services to the Judiciary and New Zealand Parole Board (M18)

##### *Scope of Appropriation*

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

##### *Expenses and Revenue*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	50,768	8,388	59,156
Revenue from the Crown	50,768	8,372	59,140
Revenue from Others	-	16	16

##### *Reasons for Change in Appropriation*

The increase in this appropriation is mainly due to the reapportionment of Probation Officer time between community-based sentences and orders and servicing the Judiciary.

#### Prison-based Custodial Services (M18)

##### *Scope of Appropriation*

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), those offenders sentenced to imprisonment, and any other offender required to be lawfully detained in custody.

##### *Expenses and Revenue*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	813,775	45,083	858,858
Revenue from the Crown	811,289	35,104	846,393
Revenue from Others	2,486	11,633	14,119

##### *Reasons for Change in Appropriation*

The increase in this appropriation is mainly due to the additional funding received to meet increasing prison muster levels.

## Rehabilitation and Reintegration (M18)

### *Scope of Appropriation*

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

### *Expenses and Revenue*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	192,343	(12,043)	180,300
Revenue from the Crown	162,649	(12,724)	149,925
Revenue from Others	29,694	(5,637)	24,057

### *Reasons for Change in Appropriation*

The decrease in this appropriation is mainly due to lower depreciation and Capital Charge apportioned to this appropriation following the sale of Tongariro forest land on 30 June 2015.

## Sentences and Orders Served in the Community (M18)

### *Scope of Appropriation*

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

### *Expenses and Revenue*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	212,539	(1,652)	210,887
Revenue from the Crown	212,539	(1,754)	210,785
Revenue from Others	-	102	102

### *Reasons for Change in Appropriation*

The decrease in this appropriation is mainly due to the reapportionment of Probation Officer time between community-based sentences and orders and servicing the Judiciary, partly offset by new funding for Returning Offenders and Electronic Monitoring of Offenders Serving Sentences in the Community.

## 2.3 - Departmental Capital Expenditure and Capital Injections

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

#### *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*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	273,295	(94,831)	178,464
Intangibles	25,000	(4,881)	20,119
Other	-	109,062	109,062
<b>Total Appropriation</b>	<b>298,295</b>	<b>9,350</b>	<b>307,645</b>

#### *Reasons for Change in Appropriation*

The Departments Capital programme has been adjusted to include the proposed Prison Capacity Build Programme which is aimed at increasing the available prison capacity. This programme has been initiated due to the increased muster demand which is heavily influenced by external factors outside the Departments direct control.

#### *Capital Injections and Movements in Departmental Net Assets*

##### Department of Corrections

Details of Net Asset Schedule	2015/16 Main Estimates Projections \$000	2015/16 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2015/16
Opening Balance	2,508,451	2,450,714	Supplementary Estimates opening balance reflects the audited results as at 30 June 2015.
Capital Injections	-	4,508	2015/16 capital injections relate to the retention of insurance proceeds from the 2012 Christchurch Earthquake and the 2013 Spring Hill Riot.
Capital Withdrawals	-	(2,000)	2015/16 capital withdrawal relates to the Departments contribution to the Budget 2015 System Package.
Surplus to be Retained (Deficit Incurred)	-	(20,606)	The 2015/16 forecasted deficit largely relates to the un-realised year to date fair value movement on the Departments interest rate swap entered into with NZDMO to manage risk relating to public private partnership transactions.
Other Movements	-	-	
<b>Closing Balance</b>	<b>2,508,451</b>	<b>2,432,616</b>	

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

### Multi-Category Expenses and Capital Expenditure

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

##### *Overarching Purpose Statement*

The 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*

	2015/16		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	4,371	(1,087)	3,284
<b>Departmental Output Expenses</b>			
Ministerial Services	1,040	600	1,640
Policy Advice	3,331	(1,687)	1,644
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	4,371	(1,087)	3,284
Ministerial Services	1,040	600	1,640
Policy Advice	3,331	(1,687)	1,644

##### *Reasons for Change in Appropriation*

The overall decrease in this appropriation is mainly due to the Departments reallocation of research and evaluation expenditure across numerous appropriations to align with the criteria for this appropriation.