

# *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 Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>					
<b>Re-offending is Reduced (M18)</b> This appropriation is limited to the provision of rehabilitation interventions, reintegration and support services to defendants on bail and offenders serving custodial and community-based sentences that address the underlying causes of criminal offending and reduce re-offending.	289,111	10,700	(14,710)	<b>(4,010)</b>	285,101
<b>Total Departmental Output Expenses</b>	289,111	10,700	(14,710)	(4,010)	285,101
<b>Departmental Other Expenses</b>					
<b>Transfer of Auckland Prison Wastewater Assets (M18)</b> This appropriation is limited to the transfer of Auckland Prison Wastewater Assets to Watercare Services Limited.	-	9,100	-	<b>9,100</b>	9,100
<b>Total Departmental Other Expenses</b>	-	9,100	-	9,100	9,100
<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.	439,183	(26,514)	6,186	(20,328)	418,855
<b>Total Departmental Capital Expenditure</b>	439,183	(26,514)	6,186	(20,328)	418,855
<b>Non-Departmental Other Expenses</b>					
<b>Waikeria Corrections and Treatment Facility (M18)</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.	33,082	4,700	-	<b>4,700</b>	37,782
<b>Total Non-Departmental Other Expenses</b>	33,082	4,700	-	4,700	37,782
<b>Multi-Category Expenses and Capital Expenditure</b>					
<b>Policy Advice and Ministerial Services MCA (M18)</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.	4,861	206	-	<b>206</b>	<b>5,067</b>
<b>Departmental Output Expenses</b>	2,305	31	-	31	2,336
<b>Ministerial Services</b> This category is limited to Department responses to ministerial correspondence and parliamentary questions.					
<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.	2,556	175	-	175	2,731

	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>					
<b>Public Safety is Improved MCA (M18)</b>	1,405,418	41,145	35,788	<b>76,933</b>	1,482,351
The single overarching purpose of this appropriation is to manage offenders serving custodial and community-based sentences in a manner so as to improve the safety of offenders, staff, victims and the public.					
<b>Departmental Output Expenses</b>					
<i>Information and administrative services to the judiciary and New Zealand Parole Board</i>	73,041	921	-	921	73,962
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.					
<i>Prison-based Custodial Services</i>	1,080,157	39,271	31,046	70,317	1,150,474
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. This includes remand prisoners (people awaiting trial and offenders convicted but not yet sentenced), those offenders sentenced to imprisonment, and any other offenders required to be lawfully detained in custody.					
<i>Sentences and orders served in the community</i>	252,220	953	4,742	5,695	257,915
This category is limited to the management and delivery of sentences and orders served in the community, and electronic monitoring of people on bail.					
<b>Total Multi-Category Expenses and Capital Expenditure</b>	1,410,279	41,351	35,788	77,139	1,487,418
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	2,171,655	39,337	27,264	66,601	2,238,256

## Capital Injection Authorisations

	2019/20				
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Addition to the Supplementary Estimates Budget \$000	Cumulative Supplementary Estimates Budget \$000	Total Budget \$000
Department of Corrections - Capital Injection (M18)	27,350	-	6,186	6,186	33,536

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2019/20				
	Estimates \$000	Cumulative Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	289,111	(4,010)	-	(4,010)	285,101
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	33,082	9,100	4,700	13,800	46,882
Capital Expenditure	439,183	(20,328)	-	(20,328)	418,855
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	1,410,279	77,139	-	77,139	1,487,418
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
<b>Total Appropriations</b>	2,171,655	61,901	4,700	66,601	2,238,256
<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

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

##### *Scope of Appropriation*

This appropriation is limited to the provision of rehabilitation interventions, reintegration and support services to defendants on bail and offenders serving custodial and community-based sentences that address the underlying causes of criminal offending and reduce re-offending.

##### *Expenses and Revenue*

	2019/20			Total \$000
	Estimates \$000	Supplementary Estimates \$000	Addition to the Supplementary Estimates \$000	
Total Appropriation	289,111	10,700	(14,710)	285,101
Revenue from the Crown	259,417	5,424	(14,710)	250,131
Revenue from Others	26,945	5,276	-	32,221

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

This appropriation decreased by a further \$14.710 million to \$285.101 million for 2019/20 due to:

- \$16.670 million of savings initiatives.

The decrease was offset by \$1.753 million new funding for supported accommodation, and \$207,000 new funding for Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau.

## 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*

	2019/20			Total \$000
	Estimates \$000	Supplementary Estimates \$000	Addition to the Supplementary Estimates \$000	
Forests/Agricultural	-	-	-	-
Land	-	-	-	-
Property, Plant and Equipment	407,583	(35,547)	6,186	378,222
Intangibles	31,600	9,033	-	40,633
Other	-	-	-	-
<b>Total Appropriation</b>	<b>439,183</b>	<b>(26,514)</b>	<b>6,186</b>	<b>418,855</b>

#### *Reasons for Change in Appropriation*

This appropriation increased by a further \$6.186 million to \$418.855 million for 2019/20 due to:

- \$5.343 million new funding for Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau, and
- \$843,000 new funding for Thermal Imaging Detection System.

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

##### Department of Corrections

Details of Net Assets	2019/20 Main Estimates Projections \$000	2019/20 Supplementary Estimates Projections \$000	2019/20 Addition to the Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2019/20
Opening Balance	2,684,419	2,902,524	2,902,524	Opening balance for Supplementary Estimates is the actual as at 1 July 2019 and closing balance for 2019/20 Main Estimates was the projection at the time of Budget 2019.
Capital Injections	27,350	27,350	33,536	Increase due to New Capital injections - Additions to Supplementary Estimates 2019/20.
Capital Withdrawals	(40,000)	(80,000)	(80,000)	
Surplus to be Retained (Deficit Incurred)	(2,401)	(85,394)	(85,394)	
Other Movements	-	-	-	
<b>Closing Balance</b>	<b>2,669,368</b>	<b>2,764,480</b>	<b>2,770,666</b>	

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Public Safety is Improved (M18)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to manage offenders serving custodial and community-based sentences 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. This includes remand prisoners (people awaiting trial and offenders convicted but not yet sentenced), those offenders sentenced to imprisonment, and any other offenders required to be lawfully detained in custody.

###### *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*

	2019/20			Total \$000
	Estimates \$000	Supplementary Estimates \$000	Addition to the Supplementary Estimates \$000	
<b>Total Appropriation</b>	<b>1,405,418</b>	<b>41,145</b>	<b>35,788</b>	<b>1,482,351</b>
<b>Departmental Output Expenses</b>				
Information and administrative services to the judiciary and New Zealand Parole Board	73,041	921	-	73,962
Prison-based Custodial Services	1,080,157	39,271	31,046	1,150,474
Sentences and orders served in the community	252,220	953	4,742	257,915

	2019/20			
	Estimates \$000	Supplementary Estimates \$000	Addition to the Supplementary Estimates \$000	Total \$000
<b>Funding for Departmental Output Expenses</b>				
<b>Revenue from the Crown</b>	<b>1,402,224</b>	<b>39,949</b>	<b>23,788</b>	<b>1,465,961</b>
Information and administrative services to the judiciary and New Zealand Parole Board	73,041	921	-	73,962
Prison-based Custodial Services	1,076,963	38,090	19,046	1,134,099
Sentences and orders served in the community	252,220	938	4,742	257,900
<b>Revenue from Others</b>	<b>3,194</b>	<b>1,196</b>	<b>12,000</b>	<b>16,390</b>
Prison-based Custodial Services	3,194	1,181	12,000	16,375
Sentences and orders served in the community	-	15	-	15

### *Reasons for Change in Appropriation*

This appropriation increased by a further \$35.788 million to \$1,482.351 for 2019/20 due to:

- \$13.250 million new funding relating to COVID-19 Impact on Corrections' Annual Leave Costs
- \$12 million funded by Revenue Other relating to Modular Build Programme impacts
- \$9.192 million new funding relating to Personal Protective Equipment
- \$1.170 million relating to for Maintaining Connectivity Between our Staff, and Between People in our Care and their Whānau
- \$101,000 relating to Responding to COVID-19 by Strengthening our Health Safety and Wellbeing, and Communications Capacity and Capability, and
- \$75,000 new funding relating to Thermal Imaging Detection System.