

Submission to the New Zealand Productivity Commission Inquiry into improving outcomes for New Zealanders from social services funded or otherwise supported by government.

Each week 8,000 staff employed by the Department of Corrections (the Department) manage 8,500 people in prisons and 30,000 offenders in our communities. The Department is committed to helping offenders to address their offending and gain skills that will help them lead a crime-free life.

The Department protects the public of New Zealand from harm, by ensuring that prisoners, parolees and other offenders in the community comply with the sentences and orders imposed by the Courts and Parole Board. This includes providing offenders with rehabilitation programmes, education and job training.

To achieve its goal of reducing re-offending by 25% the Department partners with other government agencies and third parties in a transparent and collaborative manner.

The Department is focussed on efficiently providing better, more effective services to achieve its objectives. It contracts services from a wide range of providers delivering services to offenders for alcohol and drug treatment, education, employment, family violence prevention, reintegration and social housing, or with a focus on, children and families, Pasifika communities, Iwi and volunteers.

Contracting with third party providers

An example of the Department's approach to contracting with third parties is a new programme, *Out of Gate*, designed to improve the prospects for successful reintegration into the community of prisoners who have served prison sentences of less than 2 years.

The five service providers, selected as a result of a contestable process, make contact with referred prisoners before they leave prison. When they are released from prison, providers help them find accommodation, prepare for employment, meet health and wellbeing needs and benefit from life skills training. The providers are paid 85% of their fee for these services (inputs). The remaining 15% of the service fee is dependent on them achieving reduced reoffending outcomes.

The contract specifies the outcomes and some outputs but otherwise leaves the providers free to apply their expertise and experience to achieve the outcome and thereby maximise their fee income.

To enable providers to compare their performance all data for each provider on referrals, offender status and the achievement of participants is shared with all providers. This helps drive performance and enables the Department to evaluate provider performance on an ongoing basis. The data is collated and published monthly.

Governance meetings of all five providers with representatives of the Department are held quarterly. These meetings provide an opportunity for collaboration and the exchange of ideas among the providers. They also provide an opportunity for providers and the Department to talk about any weaknesses in the delivery model and the incentive structure, and to suggest improvements. This forum could be used to review whether the required outputs are essential to achieving the desired outcome, and if not,

whether they should cease to be compulsory and/or be replaced by another output which might have more impact on outcomes.

The success of the original programme has led to it being extended to a more demanding subset of short serving prisoners. The real time evaluation of the service has enabled the Department to expand the programme more rapidly than would have been possible if the expansion had been reliant on a post-trial evaluation.

The provider contracts are for an initial term of two years. Over the longer term it may be desirable to have longer term contracts to avoid the inevitable loss of provider focus towards the end of contract as staff become anxious about the continuity of their employment.

Collaboration with other Government Agencies

The Department also collaborates with other government agencies particularly where it and another agency have a shared responsibility for providing service. This enable both agencies to achieve whole of government goals that are beneficial to the clients of both agencies.

For example, the Department has a relationship with Housing New Zealand Corporation to refurbish up to 80 houses a year for the Corporation and other community social housing providers. This is a long term relationship. The refurbishing yard at Spring Hill Prison has been refurbishing houses from Auckland for six years. The Department has recently established two further refurbishing yards at Rolleston Prison near Christchurch. The refurbishing work is carried out by up to 130 prisoners and 20 offenders on community sentences who receive on-the-job training from qualified trade instructors.

The houses are transported from Christchurch or Auckland to the refurbishing yards at the prisons. The refurbishing varies by site to meet the needs of the communities from which the houses come. At Spring Hill three bedroom houses are being cut in half and reduced to one and two bedroom units or extended to create four and five bedroom units. At Rolleston earthquake damaged houses, (some salvaged from the Red Zone) are being repaired and refurbished to current building standards.

The project is contributing to achieving the Department's goal of reducing re-offending by 25% by helping offenders to gain sustainable employment. Prisoners learn skills, achieve unit standards towards qualifications and most importantly from the perspective of prospective employers, develop good work habits as a result of being engaged in structured employment focussed activity for 40 hours per week. To make this programme work the Department has developed relationships with a range industry training organisation and potential employers.

Collaboration with the Ministry of Health and District Health Boards (DHB) is very important because the Department delivers primary health care for prisoners but is reliant on DHBs for the provision of secondary and tertiary health care.

The prison population is aging and the development of a high dependency unit at Rimutaka Prison is an example of agencies working collaboratively to deliver an effective service to provide care in custody for prisoners with health issues that make it

difficult for them to function independently in prison. Most of the prisoners in the unit are older (in their seventies or eighties), with several medical conditions and increasing frailty. They need help with the basic activities of daily life such as showering, toileting and eating. The contribution of the Ministry of Health and the Hutt Valley District Health Board has been critical to the successful development of the unit. They have provided support, expertise and an ongoing commitment to the successful operation of the facility.

The Department also seeks to facilitate the treatment of conditions associated with an antisocial lifestyle such as alcohol and drug addiction. It collaborates with five leading DHBs to improve access to alcohol or drug dependency treatment in the community for offenders serving community sentences or orders.

Ensuring the Efficiency of Directly provided Services

The Department delivers many of its services directly and monitors the efficiency and effectiveness of the delivery of those services.

In 2012 service delivery was restructured to achieve a step-change in performance by moving away from working in three service line silos to thinking and working as one unified Corrections team focused on the needs of the offender. This brought all frontline staff working with offenders in each region into one unified service delivery group led by a regional management team and working to provide fully integrated, cost effective and co-ordinated approaches to managing offenders.

Having one team focused on the offender leads to a better understanding of offenders' needs and make staff more responsive to their individual requirements. It requires staff to work in a very connected way to provide more fully integrated, cost effective and joined up approaches to managing offenders.