

# JUSTICE SECTOR

## 2014 Justice Sector Briefing to the Incoming Government





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# Executive Summary

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**T**he justice sector, made up of the New Zealand Police, the Ministry of Justice, the Department of Corrections, the Crown Law Office, the Serious Fraud Office, and Child, Youth and Family, is aligned and working for a safer, fairer and more prosperous society.

By working together, sector agencies are delivering better outcomes for New Zealanders. Sector agencies are doing this through shared strategic ambition, strong governance, common operational focus, shared knowledge and resource alignment.

This is helping to guide major sector agency work programmes:

- Policing Excellence: the Future – focusing on better preventing crime and reducing victimisation
- Modernising Courts – to drive better court performance
- Reducing reoffending – putting greater effort into reintegration to fully realise rehabilitative gains.

## The sector is delivering public value

The sector's central focus on reducing crime and reoffending has helped to sustain the long-term reduction in crime to a 35-year low.

The sector is improving the operation of the justice sector pipeline. We have done this by joining up performance reporting and collective problem solving through sector governance. This includes a strong focus on reducing harm and victimisation, at both the governance and frontline levels.

Justice sector agencies have operated within flat baselines for a number of years. Careful fiscal management has allowed agencies to contribute over **[Withheld under Official Information Act 1982 section 9(2)(f)(iv)]** to the Justice Sector Fund, over **[Withheld under Official Information Act 1982 section 9(2)(f)(iv)]** of which has been redistributed to higher value uses across agencies. This unique funding arrangement has only been in place for two years, but has significantly improved both sector efficiency and collaboration.

Through this period, sector agencies have upheld public trust and confidence, as reflected in New Zealand's high international integrity standing.

**[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].**

### The sector faces challenges ...

Despite the falling rates of crime and reoffending, there is more to be done:

- New Zealand's rate of family violence is amongst the highest in the OECD
- Māori continue to be over-represented in the justice system
- violent crime has fallen, but some serious violent crime is increasing
- the court system is still paper-based and has greater potential that needs to be unlocked to improve overall pipeline performance
- sector agencies have achieved significant efficiencies but baselines are coming under increasing pressure.

### ... but there are potentially transformational opportunities

Ministers may wish to consider opportunities that could substantially improve sector outcomes, including:

- continuing to make a strong commitment to reduce family violence
- expanding restorative justice services
- improving justice services in (predominantly Māori) communities with high levels of crime and victimisation
- **[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].**
- supporting secure and trusted information sharing
- ensuring the funding and availability of victim services that both rehabilitate and prevent revictimisation
- modernising courts and establishing better electronic connections between courts and sector agencies
- reviewing policy settings and approaches to better support rehabilitation and reintegration
- **[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].**

Further work would be required to assess the costs and benefits of pursuing these opportunities.

# Introduction

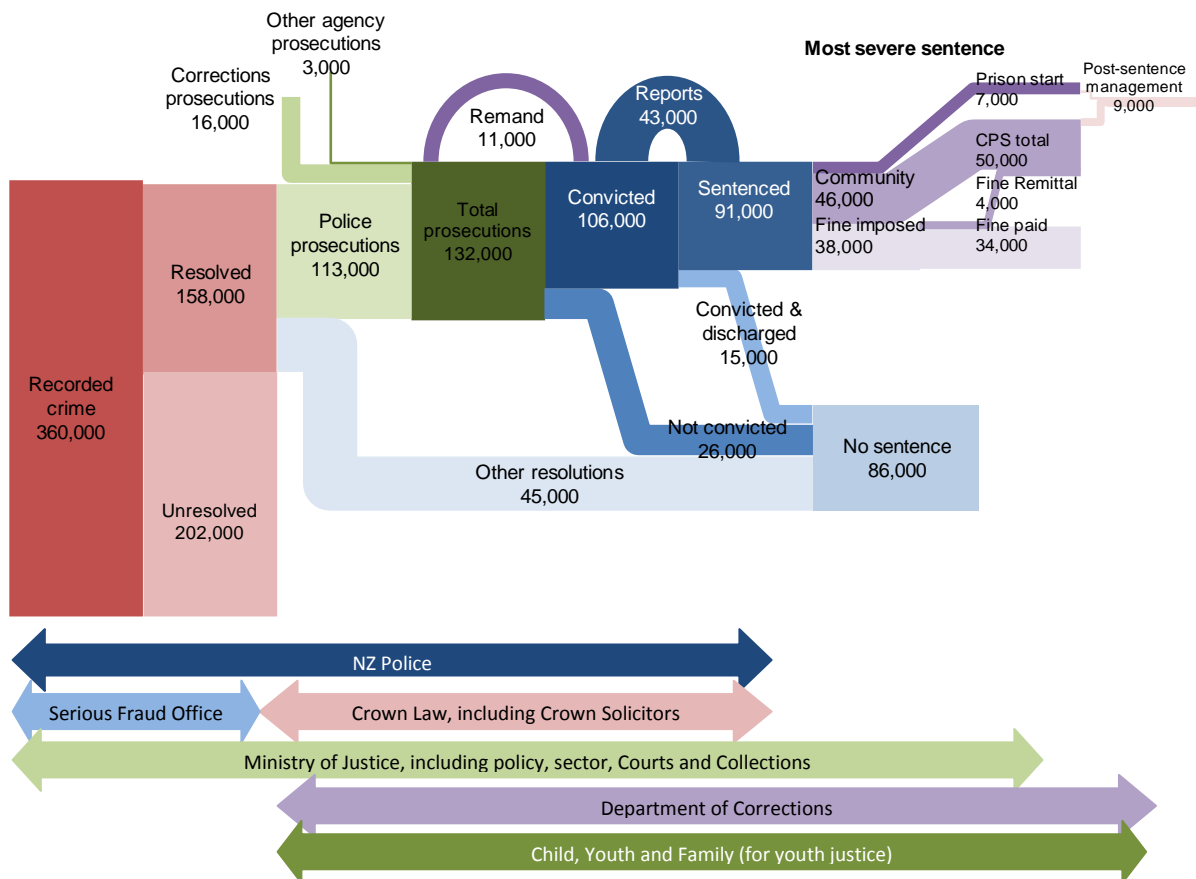
**T**he effective functioning and integrity of New Zealand’s core justice institutions is critical for underpinning a safe, fair and prosperous society.

The central justice sector outcome is to ensure that New Zealanders have freedom to go about their business in safety, and that people have confidence that conflicts will be resolved fairly. This outcome is the basis of the shared justice sector vision: A safe and just society.

The justice sector is made up of New Zealand Police, the Ministry of Justice, the Department of Corrections, the Crown Law Office, the Serious Fraud Office and Child, Youth and Family.

The sector has more than 23,000 employees, spends \$3.8 billion per year, and manages \$4.4 billion worth of assets. The majority of the sector’s resource and collective effort is focused on criminal justice services. This includes the core justice apparatus of law enforcement and efforts to reduce crime and reoffending. The justice sector also delivers civil justice processes, administers specialist courts and tribunals (e.g. Environment, Employment, Tenancy, Disputes) and has strong links with the social, transport, commercial, and security sectors.

The diagram below approximates how the flow of charges, cases and people through the criminal justice pipeline affect each agency (2013 figures).



## Agency work is aligned, and the sector is moving in a common direction.

**The strength of the sector lies in the commitment of agencies to work together to achieve a collective impact which goes beyond individual agency accountabilities. Sector agencies have achieved this through:**

**Strategic Ambition:** Shared targets and collective priorities ensure that all sector agencies head in the same direction to reduce harm, reduce crime volumes, improve services, manage investment and maintain trusted institutions

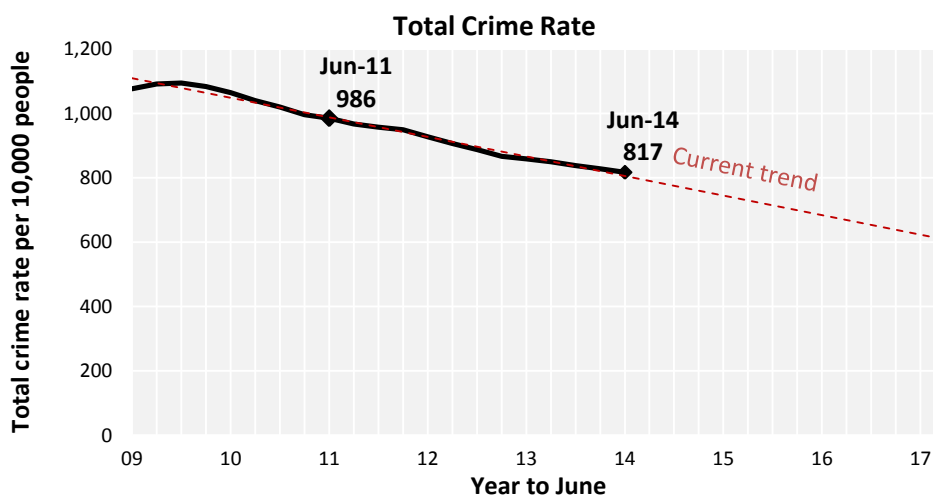
**Strong Governance:** Justice Sector Ministers and the Leadership Board (made up of justice sector Chief Executives) provide joined up oversight of performance and delivery across the sector

**Operational Effect:** There is a shared interest in making the criminal justice pipeline work as efficiently as possible between all sector agencies

**Shared Knowledge:** Agencies are building evidence and shared expertise to drive better policy and service delivery

**Resource Alignment:** The sector shares resource allocation via the Justice Sector Fund and is pursuing a programme of expenditure control.

The sector's focus on reducing crime and reoffending has helped to sustain the long-term reduction in crime to a 35-year low.



Sector collaboration is also helping to guide major sector agency work programmes:

- Policing Excellence: the Future –better preventing crime and reducing victimisation
- Modernising Courts – improving court performance
- Reducing reoffending – putting greater effort into reintegration to fully realise rehabilitative gains.

The sector's achievements, the challenges it is facing, and opportunities for making transformational changes are discussed below.

# Delivering public value

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**B**Y working together as a sector, agencies are able to deliver more to New Zealanders. Crime is at a 35 year low and public trust and confidence in the justice sector is high. Sector leaders have agreed on five priorities: reducing harm, reducing crime volumes, improving services, managing investment and maintaining trusted institutions, and have embarked on cross-sector work to support them.

## Reducing Harm

**Delivering better justice services for victims** – The biggest predictor of future victimisation is previous victimisation, so improving services for victims increases safety and reduces overall crime. The sector has a number of initiatives underway to improve services for victims, including Police’s Victim Focus Framework, the establishment of Victims Managers in every Police District, the imminent Victims Code and recent amendments to the Victims Rights Act.

**Reducing family violence** - The Leadership Board has recently established a Family Violence Subcommittee, chaired by the Commissioner of Police, to raise the emphasis on, and level of coordination surrounding the sector’s family violence work programme. The initial work programme agreed by Cabinet in June 2014 includes developing measures to:

- Better protect victims of domestic violence
- Improve victims’ experience in the justice system
- Support judicial decision-making in cases involving domestic violence
- Ensure domestic violence legislation is modern and fit for purpose.

## Reducing Crime Volumes

**Using targets to improve performance**– The adoption of shared sector targets to reduce crime, violent crime, youth crime, and reoffending has incentivised and focused the sector towards new, more effective practices that address the drivers of crime.

**Reducing reoffending** – Corrections is investing in stronger links with the community, increasing rehabilitation networks, investing in effective intervention (e.g. for tackling alcohol and drug abuse), and brokering real jobs for offenders upon their release from prison to help break the cycle of offending.

**Focusing on communities with high levels of offending and victimisation** – Offending by, and victimisation of, Māori is significantly higher than the rest of the population. Accordingly, we are partnering with iwi providers to better prevent offending within these communities. Following the lead of the Police, the Leadership Board has also committed to building meaningful dialogue and partnership with iwi leaders and intends to meet with the Commissioner of Police’s Māori Focus Forum, prospectively, in December.



**Preventing crime** – The sector is using its data to focus on high risk victims, offenders, locations and times to prevent crime from happening rather than simply responding to it. Police, for example, have deployed Neighbourhood Policing Teams in 34 priority locations to create greater presence and safer, more secure neighbourhoods.

### Improving Services

**Speeding up the courts** – The sector’s commitment to improving the speed of cases through the courts delivers better justice outcomes for court users, increases trust in the court system, and improves efficiency across the justice sector pipeline.

**Coordinating frontline effort** – The sector has developed measures to support cross-agency collaboration at the frontline so the justice sector can achieve greater collective impact and better public services. Measures include the:

- Leadership Board Flagship initiative, a cross-agency, frontline collaboration, currently operating in Papakura, East Coast and Hamilton
- Collective Impact Toolbox, which includes case studies and easy to use guidance to help frontline managers collaborate.

**Increasing pipeline efficiency** – Criminal pipeline performance reports have enhanced oversight and allowed the sector to identify opportunities for improvements in criminal justice processes. These practical issues are being addressed through a newly established pipeline performance subcommittee, chaired by the Chief Executive of the Department of Corrections.

### Managing Investment

**Managing resources efficiently** – Justice sector agencies have achieved significant efficiencies and operated within flat baselines for a number of years. **[Withheld, Official OIA 1982 s9(2)(f)(iv)]**.

**Justice Sector Fund (JSF) is supporting sector efficiency and collaboration** – The JSF’s purpose is to provide the sector with greater flexibility to manage its finances. Any funding that remains unspent by sector agencies at year-end is transferred to the fund where it becomes available for reallocation across the Sector. This reallocation is governed by joint Ministers, including the Minister of Finance. Careful fiscal management has allowed agencies to contribute over **[Withheld, Official OIA 1982 s9(2)(f)(iv)]** to the Justice Sector Fund, of which over **[Withheld, OIA 1982 s9(2)(f)(iv)]** has been redistributed to initiatives to advance strategic priorities and modernise and improve the cost effectiveness within the Sector. The process of operating the fund has also strengthened cross agency relationships, broadened understanding of agency pressures and business models across the sector, and has catalysed cross-sectoral prioritisation to deliver Government priorities, particularly Better Public Services (BPS) results.

**Using knowledge to guide investment** – The sector forecasts help to inform medium to long-term investment decisions, particularly in regard to the prison estate. The sector is also using local and international evidence to drive programmes that work. The sector is data rich and produces research that influences and shapes improvements to sector services.

## Maintaining Trusted Institutions

**Investing in trust and confidence** – Our criminal, civil and democratic institutions play important roles in facilitating conflict resolution and collective decision making. Maintaining trust in these institutions ensures people support their operation, and better enables New Zealand to navigate change and maintain trust. Through this recent period of change and fiscal restraint, sector agencies have upheld trust and confidence by investing in accountability measures (eg. privacy reforms), meaningful public engagement, and relationships with iwi, community stakeholders, the legal profession and the judiciary. This investment has continued to flow through to New Zealand’s high international integrity standing.

# Challenges

**D**espite the strong progress of the last three years, the justice sector still faces a number of important challenges. There is significant effort already underway to achieve sector goals and respond to the big issues, but this requires continued focus and commitment.

## Reducing Harm

While overall crime volumes are decreasing, there are still areas that need specific focus. Overall crime has come down, but some serious violent crime is increasing. A small minority of New Zealanders (6%) experience over half of all crime, and over half of all offenders live in the most deprived neighbourhoods.

**Family violence makes up half of all violent crime** – People that experience partner violence are more likely to experience multiple victimisations than victims of other types of crime. New Zealand's rate of family violence is amongst the highest in the OECD. Improving the justice sector's response to family violence will help the sector make real inroads into reducing the harm that victims experience. While reducing family violence will require a well co-ordinated cross-government response, the justice sector is well placed to provide leadership in this area.

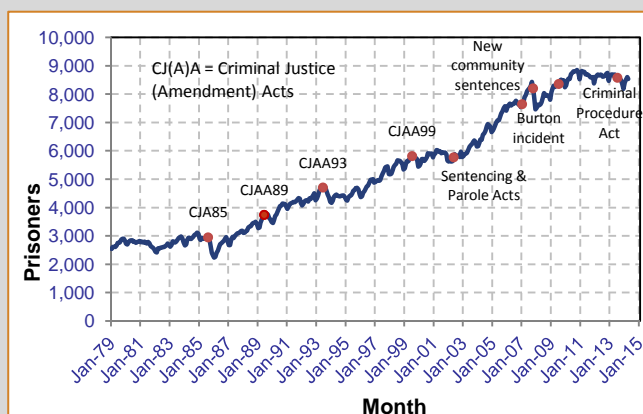
## Reducing Crime Volumes

**Māori are over-represented in the criminal justice system** – Māori are over-represented in the criminal justice system, both as victims and offenders. The Māori incarceration rate is 660 per 100,000 (7 times higher than for NZ Europeans) and this over-representation tracks through all stages of the criminal pipeline. Māori are 13% more likely to be victimised than the average New Zealander.

**Prison population** – New Zealand's rate of imprisonment stands out as being higher than comparable international jurisdictions (e.g. Australia, UK, Canada). This reflects policy and legislative choices beyond the crime baselines: New Zealand uses more custodial remands, sentences are longer at the low end of offending, and the post-parole eligible prison population has increased considerably over the decade. Policy decisions have implications for the safety of New Zealanders, as well as on government resource allocation and justice spending.

### Three decades of growth:

- Prison population has tripled since the early 1980's and imprisonment rate has more than doubled.
- Implementation of the Sentencing and Parole Acts 2002 resulted in steep increases in prison population.
- On average, prisoners now spend longer in prison and serve more of their sentence inside
- Our use of custodial remand more than doubled in the 2000's and is elevated compared with Australia and the United Kingdom (which have similar rates of serious crime).



## Improving Services

**Modernising courts** – Improving courts administration and taking advantage of technology is a huge challenge, with many associated risks and significant costs. New Zealand’s court system has greater potential that needs to be unlocked. Court processes are manual and paper-based, and have not yet capitalised on advances in technology and recent reductions in charge volumes. This risks damaging their credibility, and failing to realise potentially significant efficiency improvements across the broader pipeline.

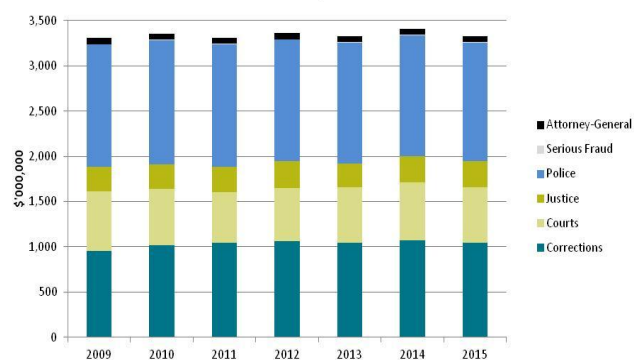
**Courts are expensive for low level crime** – Intensive criminal adjudication processes are not required for all matters and there have been several moves to introduce less resource intensive approaches. That most criminal cases are not contested (in 70% of criminal cases an early guilty plea is given) indicates there is scope to further explore less intensive approaches.

## Managing Investment

### Value for Money in the Justice Sector

Since 2009/10, the Justice Sector as a whole has managed within flat real baselines (only a 0.5% real increase in expenditure). Votes Attorney-General, Courts and Police have all experienced a real decrease in expenditure (-13%, -7% and -3% respectively). Excluding the increase in costs related to capital requirements, Corrections baseline since 2010/11, when the prison population stabilised, has remained flat in real terms. Despite this belt tightening, significant increases in service quality, efficiency and funding what works have also been achieved (e.g. Police employing technology to save 500,000 frontline hours – equivalent to 354 police officers; District Courts registrars and bailiffs working collaboratively to speed up the court process; and Correction’s Rehabilitation Quotient measures the impact of major rehabilitative programmes, providing more service where the evidence is favourable).

Justice Sector Real Operating Expenditure 2008/09 - 2014/15



**The challenging fiscal environment means more needs to be delivered for less** – Agencies have implemented ambitious expenditure reviews to improve value for money. Corrections’ expenditure review identified savings of over [Withheld, Official OIA 1982 s9(2)(f)(iv)] by 2020 and was commended by Performance Improvement Framework Reviewers as “well managed, including controversial initiatives like prison closures... those initiatives have by and large delivered what was expected”. Police has absorbed over [Withheld, Official OIA 1982 s9(2)(f)(iv)] of costs over four years and Justice has delivered the Government’s largest efficiency savings target.

[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].

## Maintaining Trusted Institutions

Through the recent period of sector modernisation and fiscal restraint, sector agencies have maintained a high level of trust and confidence, but there are some challenges to sustaining this.

**Low trust in high crime areas** - Offending and victimisation is often highly concentrated in certain communities where justice services are not respected or seen as legitimate. This makes justice sector agencies' job harder and less safe. In order to enhance both legitimacy and effectiveness, continued cross-sector frontline change is required to further develop a culture focussed on prevention, reintegration and repair.

**Democratic and civic engagement** – Citizen engagement and trust is important for maintaining effective and efficient State functions, including justice. Improving voter and justice system participation will be important areas for focus. Changes in the make-up of the population, economy and technology pose both challenges and opportunities to achieving these ends.

[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].

# Opportunities for delivering greater public value

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**T**o accelerate progress, there are some opportunities for Ministers to consider. These opportunities have potential to be transformative and significantly improve outcomes across the justice sector.

## Reducing Harm

**Reduce family violence as a key priority for the sector** - The high incidence of family violence in New Zealand is unacceptable. There is an opportunity for the sector to lead improvements across the justice system working with government agencies to reduce family violence. Justice sector agencies administer core services responding to domestic violence, and have established working relationships around which effective service responses can be galvanised. If the justice and social sectors can continue to make inroads into this difficult community problem, there is potential to significantly reduce harm to individuals and families, and improve New Zealand's social and economic wellbeing. A suite of government initiatives are underway in both the justice and social sectors [Withheld, Official OIA 1982 s9(2)(f)(iv)]. The justice sector is well placed to take a leadership role to ensure responses to family violence are coordinated, and that victim safety is prioritised.

**Improve victim services** - How victims experience the criminal justice system affects how they recover from the impact of crime, and whether they (and family and friends) will trust the justice system. More can be done to target support for victims, including by tailoring and simplifying their experience of the system, and integrating initiatives across the justice and social sectors. To do this we need to continue to fund victim services that increase their safety and prevent re-victimisation.

## Reducing Crime Volumes

**Secure and trusted information sharing** - Government agencies outside of the justice sector have important parts of the picture concerning who is at risk of victimisation and offending. Further gains can be achieved through secure and trusted information sharing between government agencies.

**Expand restorative justice** - There is strong evidence restorative justice works to reduce reoffending and improve victim satisfaction, including in some cases of more serious offending. Setting a big goal to expand restorative justice services, making them available for all appropriate cases across the criminal pipeline, has potential to repair harm, reduce reoffending, reduce cost and increase trust in the justice system.

**Better serve communities with high levels of victimisation and offending** – Drawing from the Policing Excellence approach of partnering with iwi/Māori groups, there is a significant opportunity for the sector to work more closely with Māori communities to improve justice outcomes.

[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].

**Ensure parole and sentencing policy settings support rehabilitation** – Participation in rehabilitative programmes, education and employment training can help to reduce offenders’ risk to public safety. There is a potential opportunity to review parole and sentencing settings to ensure they provide the best possible incentives for early and active engagement with these interventions.

**Strengthen the sector’s approach to reintegration** – The sector is placing greater emphasis on ensuring gains made by offenders through their involvement in education, employment training and rehabilitation programmes are sustained after they are released into the community. The Out of Gate initiative, for example, is seeing Corrections partner with NGOs to better support offenders meet basic needs and overcome barriers to leading full, crime-free lives (e.g. through stable accommodation and employment). It is timely to ensure that policy settings support sector aspirations for safely reintegrating people into the community and reducing reoffending.

#### Improving Services

**Technology to connect justice services, and users** - The sector is looking at the design of its criminal justice services, particularly at how use of technology could better connect justice agencies, and improve services to users. This would centre on modernising courts, building electronic linkages between Courts, Police and Corrections, and enhancing service user engagement.

**More responsive service delivery** - With significant changes in society, technology, and increasing global connectedness, the sector is seeing changes in the volumes and mix of crime. The Police, in particular, has also needed to respond to a substantial growth in ‘non-crime’ (e.g. mental health related issues). This is demanding changes in technology, the mix of people capabilities and ways of working. There is an opportunity to enable Police greater flexibility, using knowledge gained from Policing Excellence, to make best use of its people for responsive service delivery.

#### Managing Investment

[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].

#### Maintaining Trusted Institutions

[Withheld under Official Information Act 1982 section 9(2)(f)(iv)].

# Immediate considerations for Ministers

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**W**hile there are no immediate decisions required by Ministers as a result of this briefing, there are a number of dates of note in the near future.

**The Justice Sector Quarterly Performance Report** - Monitoring the performance of the sector is an ongoing role for the Justice Sector Ministers group. Sector Ministers will receive the next Justice Sector Quarterly Performance Report in November 2014.

**Sector Four-Year Plan development** - Agencies are developing individual Four-year Plans for Budget 2015. Sector Group is coordinating a sector-wide Four-year Plan. Draft Four-year Plans are due on 20 November 2014.

**Annual prison population forecast** – Sector Group is finalising the annual prison population forecast, which informs medium to longer term sector planning and is published on the Ministry of Justice website. Prior to publication, it will be submitted to Ministers in November 2014.

**Better Public Services: Reducing Crime and Reoffending** – Sector and central agencies are currently developing options for revising the BPS targets, and will provide advice to you by November 2014. Sector agencies are also working to refresh the BPS Results Action Plan first released in July 2012. Completed actions will be removed, and new work to ensure the sector remains well placed to meet or exceed targets will be included in the refresh. This refreshed plan will be submitted to Ministers in early 2015.

**Public perception of crime survey results** – This relatively new survey measures public opinion on crime and the criminal justice system. Sector Group is currently finalising the latest survey results for publication on the Ministry of Justice website. Prior to publication, it will be submitted to Ministers in December 2014.

Sector agencies will be able to provide further detail and briefing on any of the issues and work programmes outlined in this briefing upon request.