



Justice Sector

# Justice Sector Forecast 2011-2021

30 September 2011

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## 1. Executive Summary

### 1.1. Overview

This paper sets out the results from the 2011 Justice Sector Forecast.

Key trends in many drivers of the justice system are downward, particularly in terms of numbers entering the courts system. This results from a combination of a fall in recorded crime, and the greater use of diversion to resolve crimes. The fall in numbers entering the system has already reduced new caseload at courts, and over the period of the forecast has an impact on all other aspects of the system. The impacts are of different magnitudes, and occur at different times, for different elements of the forecast.

Forecast results are summarised in the following sections. Annual totals (e.g. prosecutions) are compared with 2010-2011, while point estimates (e.g. populations) are compared with June 2011.

### 1.2. Summary of base case results

#### Prosecutions

The number of District Court summary prosecutions is forecast to decrease from 181,405 in 2010-2011 to 178,480 in 2014-2015 (-1.6%). Over the same period, the number of District Court committal cases is forecast to decrease from 8,583 to 7,618 (-11.2%).

The forecast has also looked at the number of cases requiring a Crown Solicitor, provided by Crown Law. The number of such cases flowing to Crown Law is projected to fall from 6,784 in 2010-2011 to 5,725 in 2014-2015 (-15.6%), with the largest fall in the first year. The overall fall in active caseload is from 3,471 in 2010-2011 to 3,020 in 2014-2015 (-13.0%).

#### Pre-sentence reports

The forecast projects a decrease in the annual numbers of written pre-sentence reports requested from 29,301 in 2010-2011 to 27,241 in 2014-2015 (-7.0%). The numbers of oral pre-sentence reports decrease from 25,929 to 25,496 over the same period (-1.7%).

#### Monetary penalties

The value of fines imposed in police-originated convictions in the criminal court is forecast to increase from \$51.7m in 2010-2011 to \$52.7m in 2014-2015 (+1.9%). Receipts on fines from the same category of cases are forecast to decrease from \$46.5m in 2010-2011 to \$42.2m in 2014-2015 (-9.2%).

Fine defaulters are increasingly resentenced, most often to community work sentences. The number of such remittals is forecast to increase from 576 in 2010-2011 to 623 in 2014-2015 (+8.2%).

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### **Community sentences starts**

The total number of starts on community sentences (Home Detention, Community Detention, Intensive Supervision, Community Work and Supervision), including fine remittals, is forecast to increase from 64,424 in 2010-2011 to 65,555 in 2014-2015 (+1.8%).

### **Community sentences muster**

The number of offenders serving a community sentence at any one time (the 'muster') is forecast to decrease from 37,540 in June 2011 to 34,255 in June 2015 (-9.6%). Community Work sentences imposed as a result of fine remittals are included in these numbers.

### **Post-sentence management**

Annual numbers of starts on Parole are forecast to decrease from 2,033 to 1,919 (-5.6%) from 2010-2011 to 2014-2015. Starts on Releases on Condition are forecast to decrease from 4,301 to 4,208 (-2.2%). The number of offenders starting releases subject to Post-detention Conditions is forecast to decrease from 2,888 to 2,156 over the same period (-25.3%).

The Parole muster rises from 1,965 to 2,178 (10.8%) in the first year but falls back to its current level by June 2015. The muster for those Released on Conditions will rise from 3,476 to 3,745 (+7.7%), while the muster for those on Post-detention Conditions will decrease from 1,396 to 1,042 (-25.4%). It is forecast that the numbers on Extended Supervision will rise from 168 to 186 (+10.7%) and those on Life Parole will increase from 253 to 310 (+22.5%).

### **Provision of Information**

The number of hours CPS staff spend in supporting the work of the District Court ('court servicing hours') is forecast to increase from 103,022 in 2010-2011 to 107,238 in 2014-2015 (+4.1%). Over the same period, it is forecast that the number of pre-release enquiries will fall from 6,117 to 5,994 (-2.0%), the number of home leave reports will fall from 261 to 212 (-18.8%) and the number of parole condition progress reports will fall from 458 to 441 (-3.7%).

### **Prison population**

The forecast shows that the prison population is expected to fall over the next ten years. The prison population was 8,708 in June 2011, compared with a forecast of 8,165 for June 2021 (-6.2%). The sentenced population is forecast to fall from 6,841 to 6,436 (-5.9%) and the remand population from 1,867 to 1,729 (-7.4%). The incarceration rate per 100,000 people is projected to decrease from 198 in June 2011 to 170 by June 2021.

### **Legal aid expenditure**

Legal aid expenditure is forecast to fall from \$158m in 2010-2011 to \$117m in 2015-2016 (-25.9%).

### 1.3. Summary of Scenario analysis results

Scenarios look at the impact of assumptions that are different from those in the base case. Table 1 summarises the results of the Scenario analyses.

**Table 1: Results from Scenario analyses**

Description	Definition	Result
Scenario 1: Policing Excellence has greater than expected effect	Policing Excellence reduces numbers entering the system by more than expected (25% instead of 19%)	Crown Law case inflow down 200 by 2015; CPS starts down 3,000 by 2015; prison population down 200 by 2021
Scenario 2: Numbers entering rise from 2015 post Policing Excellence	Numbers entering system rise 1% p.a. after Policing Excellence completes in 2015	Prison population up 350 by 2021; 2021 population in this Scenario still 200 below 2011 actual figure
Scenario 3: Increased use of remand	Proportion of defendants remanded increases	Remand population up 100 by 2015 and 200 by 2021
Scenario 4: CPRAM* has expected effect	Crown Law case inflows reduced and time on custodial remand reduced by nine days	Crown Law case inflow down 500 by 2015; remand population down 300 by 2021; sentenced population up 150 by 2021
Scenario 5: CPRAM* has greater than expected effect	Crown Law case inflows reduced and time on custodial remand reduced by 13 days	Crown Law case inflow down 500 by 2015; remand population down 400 by 2021; sentenced population up 200 by 2021
Scenario 6: CPRAM* has less than expected effect	Crown Law case inflows reduced and time on custodial remand reduced by five days	Crown Law case inflow down 500 by 2015; remand population down 150 by 2021; sentenced population up 100 by 2021
Scenario 7: Reduced recidivism	Corrections interventions reduce recidivism rate by 2.8 percentage points	CPS starts down 3,000 and prison population down 400 within two years of implementation
Scenario 8: Lower proportion of sentence served	Proportion served is 70% not 72%	Prison population down 100 by 2015, and down 150 by 2021
Scenario 9: Higher proportion of sentence served	Proportion served is 74% not 72%	Prison population up 100 by 2015, and up 150 by 2021

\* CPRAM = Criminal Procedure (Reform and Modernisation) Bill, as at 30 June 2011

Scenarios are compared to the base case described above, and are given in absolute numbers (eg. cases, offenders etc) rather than as percentages. More detailed descriptions of the Scenarios are given in Section 5.

It is important not to compare the scenario analyses directly, as they are crucially dependent on the scale of the changes involved. They are included to give an indication of the consequences of system behaviour being different from the base case assumptions. The scale of the changes modelled in these analyses has been seen in the system in recent years.

### 2. Introduction

This paper sets out the base case results from the Justice Sector Forecast for the period 2011-2021, along with a range of Scenario analyses.

The forecast represents a key instrument for strategic planning within the justice sector. This forecast was prepared by the Justice Sector Strategy Group of the Ministry of Justice, in collaboration with representatives from across the sector, including: the Ministry of Justice, New Zealand Police, the Department of Corrections, Crown Law and the Judiciary.

Aspects of the justice sector that are covered by this forecast include:

- Forecast of numbers of District Court jury and committal cases, and District Court summary cases for 2011-2015.
- Forecast of the numbers of grants, average costs, expenditure, and debt recovery for legal aid in the criminal, family and civil jurisdictions as well as forecasts of expenditure on Waitangi Tribunal claims, Duty Solicitor scheme and Police Detention Legal Aid scheme (all for 2011-2016).
- Forecast of impositions, receipts and remittals of monetary penalties in police-prosecuted cases in the criminal court for 2011-2015.
- Forecast of the number of pre-sentence reports (oral and written) provided to courts by probation officers for 2011-2015.
- Forecast of the number of offenders starting community sentences for 2011-2015, and of the number of offenders subject to these sentences (the muster) at any one time. The community sentences included are those overseen by the Community Probation Service (CPS): Community Work, Supervision, Intensive Supervision, Community Detention and Home Detention.
- Forecast of the number of offenders starting CPS-supervised orders for 2011-2015, and of the number of offenders subject to these sentences (the muster) at any one time. The orders included are: Post-detention Conditions, Extended Supervision, Parole, Life Parole and Release on Conditions.
- Forecast of CPS Provision of Information requirements for 2011-2015. The measures included are: Court Servicing hours, Pre-release enquiries, Home Leave reports and Parole Condition Progress reports.
- Forecast of the prison population for 2011-2021, including separate forecasts of remand and sentenced populations.

The forecasts for different components cover different time periods because differences in the data underpinning each forecast mean we have different levels of statistical confidence in the results.



### 3. Background

#### 3.1. Approach and methodology

The 2011 forecast is based on a mixture of time series analysis and simulation modelling. This is essentially the same structural approach first used successfully in the 2006 forecast, although some of the statistical techniques have been refined. The forecast draws on trends established in recent years in a range of factors that affect the numbers of people passing through the criminal justice system at any given time, and incorporates assumptions about how those trends are likely to change over time. These assumptions about cases and individuals entering and passing through the system form a common basis for projections of workload in different parts of the sector.

Table 2 summarises the assumption for each driver.

**Table 2: Assumptions for 2011-2021 forecast base case**

Driver	Assumption (base case)	Comparison with 2010 Forecast
1: Numbers entering the court system (number of charging events)	The number of charging events will fall 5.8% in 2011-2012, 0.5% in each of 2012-2013, 2013-2014 and 2014-2015, and 1% per annum thereafter	Lower than 2010 assumption
2: Prosecutions	The number of summary prosecutions will fall in accordance with base case for first driver The number of indictable prosecutions lags other measures: it will stay at the current level to 2012-2013, then fall in accordance with lagged base case	Lower than 2010 assumption
3: Proportion of people remanded in custody	Proportion remanded in custody will remain level at 7.2% throughout forecast period	Higher than 2010 assumption
4: Average time spent on custodial remand	The average time spent on custodial remand will remain constant at current level	Slightly lower than 2010 assumption
5: Proportion of people convicted	The proportion of people convicted will rise to 75% in 2012-2013 and stay at that level throughout the remainder of the forecast period	Higher than 2010 assumption
6: Proportion of those convicted given custodial and community sentences	Outcomes of deferment or conviction and discharge: constant at 14.8% of total; monetary sentences: declining to 37.5% over four years; CPS sentences rising to 39.5% over four years; prison sentences constant at 8.2%	CPS and prison sentences higher proportions, monetary lower
7: Length of sentence imposed	The length of sentence imposed will remain constant	Same
8: Proportion of sentence served	Proportion served (including remand) will remain constant at 72%	Higher than 2010 assumption

## Justice Sector Forecast 2011-2021

In the 2011 prison forecast, the most influential factors driving the forecast – relative to the 2010 forecast – are:

- Driver 1: Numbers entering the court system.
- Driver 8: Proportion of imposed sentence served in custody (excluding remand).

No specific changes to the mix of different community sentences have been assumed other than that arising from the projection of current trends in usage. It is also assumed that the number of starts per offender will remain as it is at present.

### **3.2. Policy and operational delivery settings**

The drivers for the Justice Sector Forecast change over time as a result of changes in policy and/or operational delivery settings. Policy or operational changes are not factored into forecast drivers until policy decisions are made and implemented, including any necessary legislative changes.

The forecast includes policy and operational initiatives that have been agreed as of 30 June 2011. The Criminal Procedure (Reform and Modernisation) (CPRAM) Bill, although well advanced, have yet to become law. Therefore, the base case does not include CPRAM, but a range of possible impacts are included as Scenarios 4-6. For other complex initiatives, which may be introduced in stages over a long timescale, it is necessary to decide which aspects of the initiative are included in a given forecast, and which might more profitably be addressed as scenarios before inclusion in subsequent forecasts.

The Police initiative, 'Policing Excellence', consists of a number of separate projects, several of which have an impact on the subsequent number of cases in the system. All the key projects are either rolling out, or have pilots under way. It is thus possible this year to include a more extensive estimate of the initiative's impact. Police are still evaluating aspects of Policing Excellence, and have some expectation of further impacts. These have been examined in Scenario 1, with a view to incorporating that impact in later forecasts.

### **3.3. Disclaimer**

The 2011 Justice Sector Forecast has been developed using the best data and assumptions available at the time. As a forecast, it is only indicative of future numbers to the extent that its assumptions hold. Any change in current policy settings, the legal framework and operational delivery settings could have a significant impact on current and future forecasts.

## 4. Forecast results

### 4.1. Prosecutions

Table 3, Figure 1 and Figure 2 give the forecast of numbers of prosecutions for fiscal years 2011-2012 to 2014-2015. The split is between cases treated summarily in the District Court, and District Court cases proceeding to committal.

The numbers of prosecutions are closely, though not precisely, linked to the numbers entering the court system. Trends in both categories are based on an underlying rate given by Driver 1.

**Table 3: Summary and committal cases in the District Court: annual totals**

Fiscal year	District Court Summary cases		District Court committal cases	
	Number	Annual change	Number	Annual change
2010-2011 (actual)	181,405	-10.56%	8,583	-17.22%
2011-2012	179,802	-0.88%	7,727	-9.97%
2012-2013	180,769	0.54%	7,729	0.03%
2013-2014	179,520	-0.69%	7,689	-0.52%
2014-2015	178,480	-0.58%	7,618	-0.92%

**Figure 1: District Court summary cases: inflow**

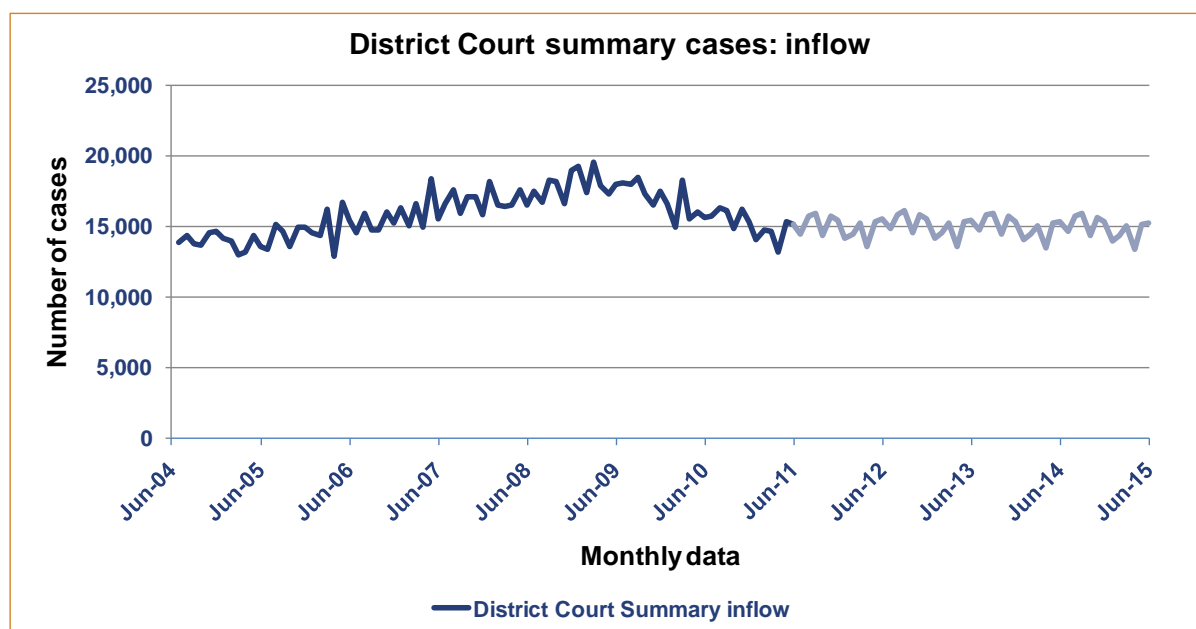
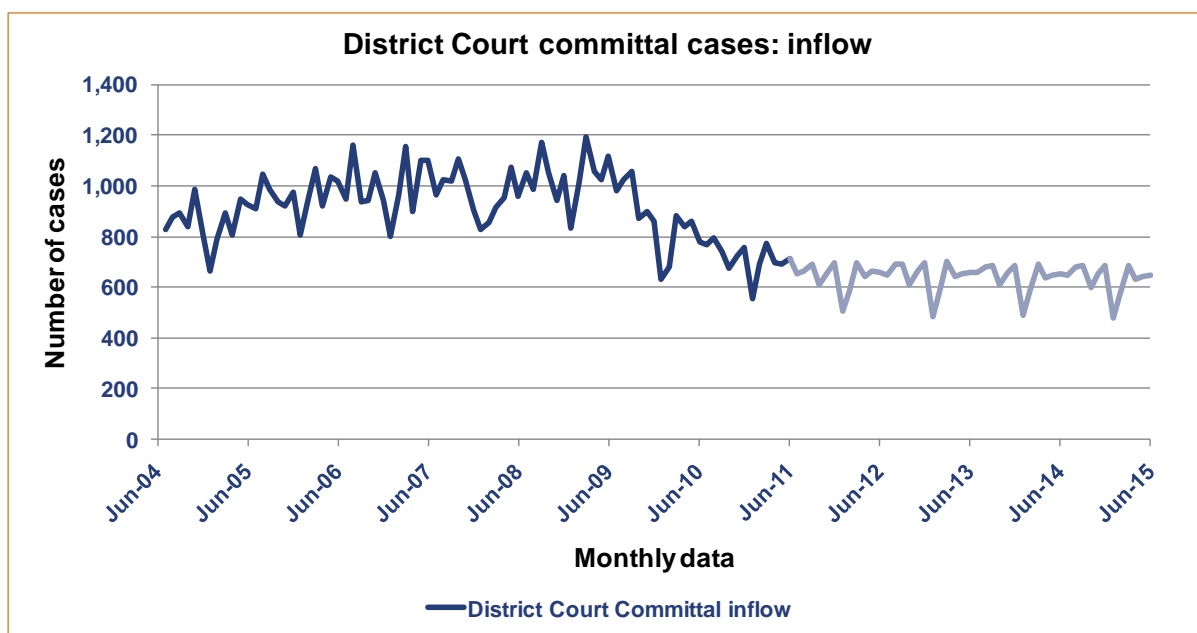


Figure 2: District Court committal cases: inflow



We have also looked specifically at those cases involving Crown Solicitors. These tend to be the more serious cases and, though small in number, have a significant impact on sector resources. Table 4, Figure 3 and Figure 4 give the projected changes in the inflow of cases to Crown Law, and in the number of cases the agency has on hand at a given time. The pattern of this second quantity is different due to the different lengths of time cases take now and will take in the future. However, the two graphs share a similar pattern of a rise in recent years followed by a levelling-off and a decline. This pattern will be seen in many graphs in this year’s report.

The length of the cases commonly handled by Crown Law means that the downturn seen in case inflow occurs later in the active caseload. In addition, the period over which the effect occurs is extended by the range of times taken by these cases, so the patterns of rise and fall in the two series do not match.

Table 4: Crown Law case inflow and active caseload projections

Fiscal year	Crown Law case inflow		Crown Law active caseload	
	Number	Annual change	Number in June of fiscal year	Annual change
2010-2011 (actual)	6,784	-18.73%	3,471	-0.26%
2011-2012	5,823	-14.16%	3,139	-9.56%
2012-2013	5,694	-2.22%	2,929	-6.69%
2013-2014	5,735	0.72%	2,997	2.32%
2014-2015	5,725	-0.18%	3,020	0.77%

Figure 3: Crown Law case inflow

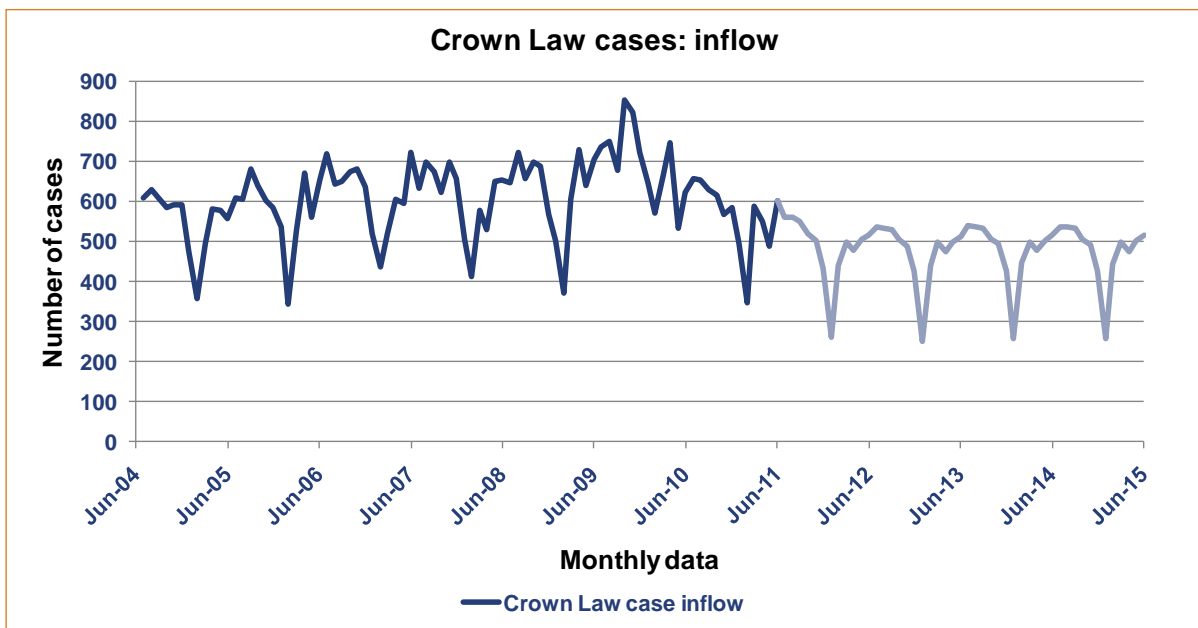
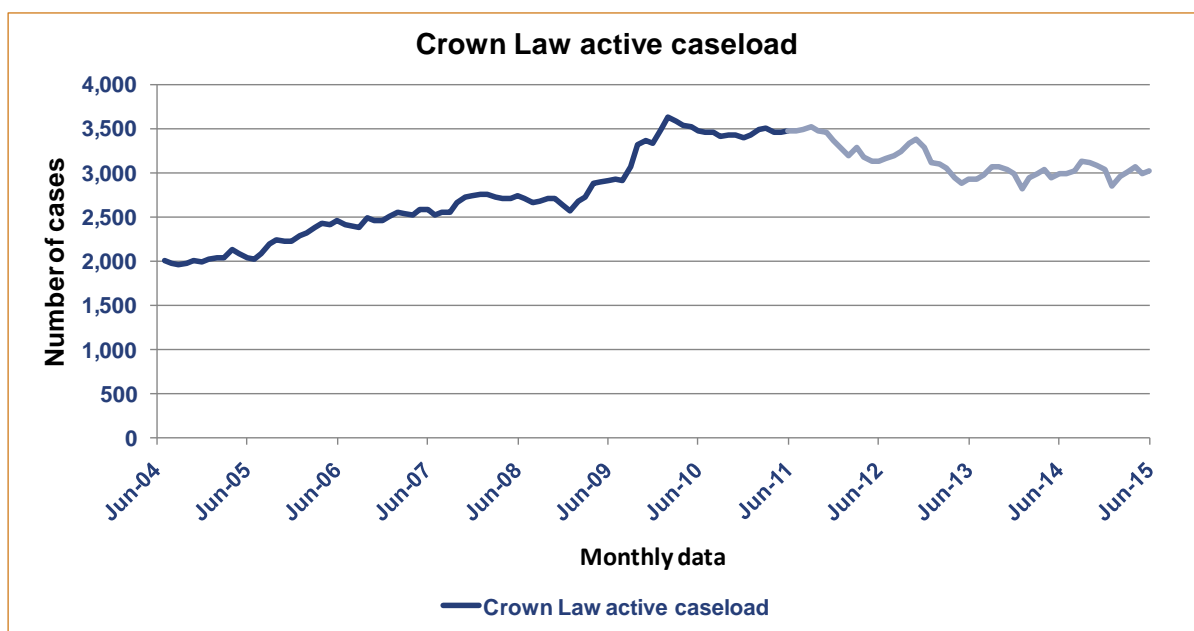


Figure 4: Crown Law active caseload



#### 4.2. Pre-sentence reports

This section covers Community Probation Service (CPS) reports, which provide advice to Courts on the appropriateness of different sentencing options for convicted offenders.

Table 5, Figure 5 and Figure 6 give the numbers of pre-sentence reports projected to 2014-2015. There are two categories of report: written and oral. The written category represents the merger of what were called short and full reports in last year’s forecast documents. Within the first year of the 2011 forecast, a new single-format written report is to be introduced to replace both current written types. The forecast therefore projects the total number of written reports. The 2011 forecast includes for the first time a projection of the numbers of oral reports.

Table 5: Written and oral probation reports: annual totals

Fiscal year	Written reports		Oral reports	
	Number	Annual change	Number	Annual change
2010-2011 (actual)	29,301	-3.76%	25,929	2.56%
2011-2012	27,136	-7.39%	25,497	-1.67%
2012-2013	27,133	-0.01%	25,343	-0.60%
2013-2014	27,291	0.58%	25,405	0.24%
2014-2015	27,241	-0.19%	25,496	0.36%

Figure 5: Written pre-sentence reports

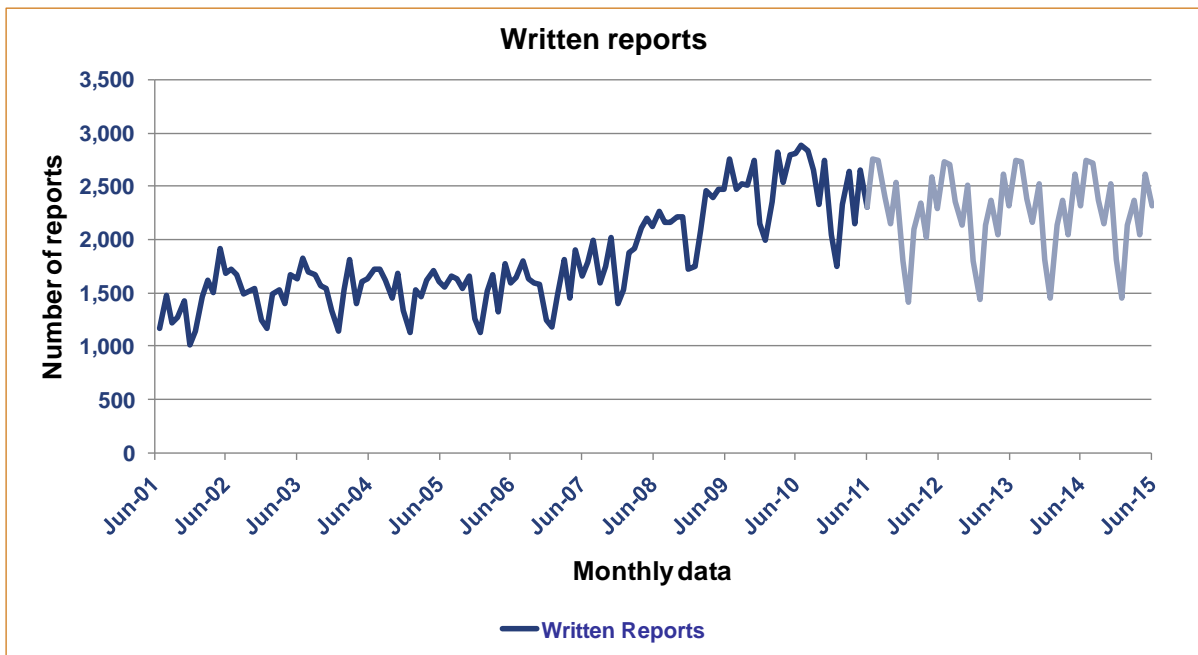
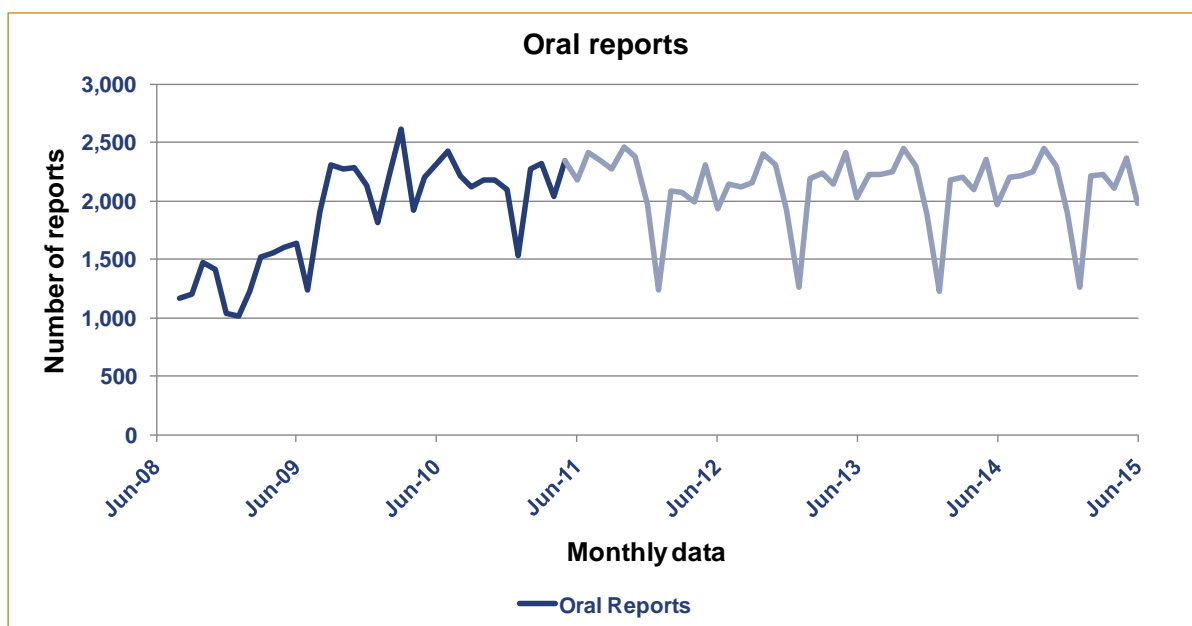


Figure 6: Oral pre-sentence reports



### 4.3. Monetary penalties

The justice system imposes a wide range of monetary penalties across its jurisdictions. The forecast mostly covers activity in the criminal justice system, and the monetary penalties covered are therefore those arising from police-originated prosecutions in the criminal courts.

The forecast projects impositions and receipts for these monetary penalties. That total is made up of: fines, court costs, enforcement costs, confiscation costs, offender levy and payments made to a third party.

Monetary penalties that are not paid in full may be remitted and replaced by a more severe penalty, usually community work.

#### Impositions

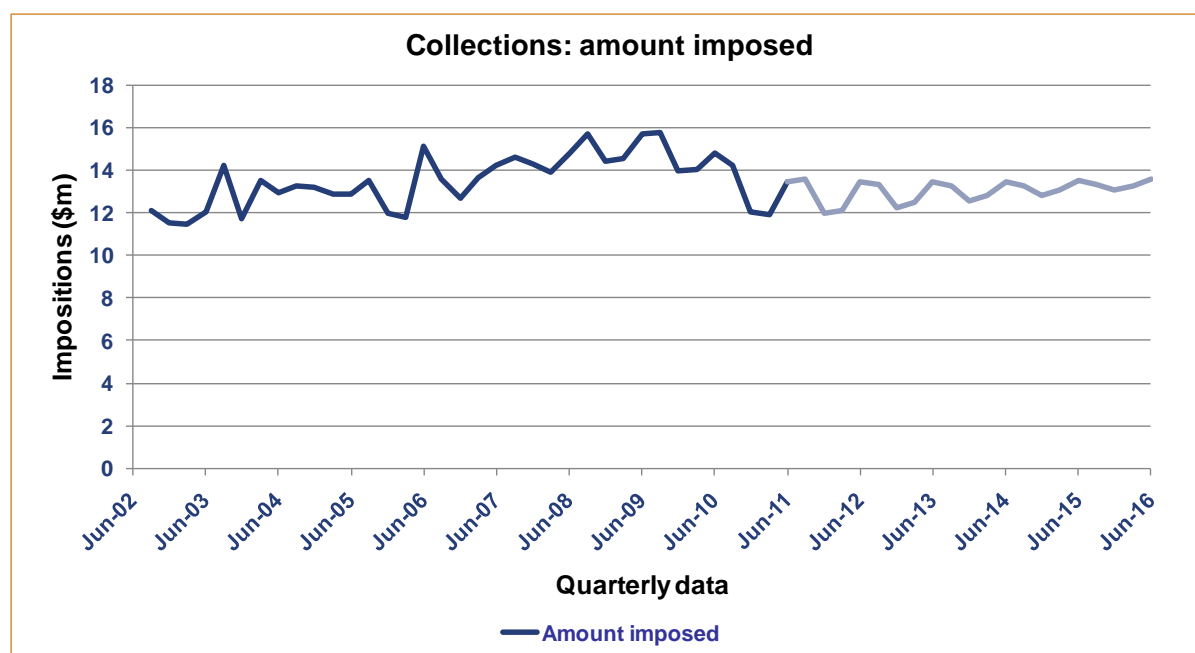
Table 6 and Figure 7 show the total amount of monetary penalties imposed in police-originated convictions in the criminal court, projected to 2014-2015.

In recent years, there has been a decline in the use of fines as a punishment. This is partly due to judges noting an increase in the incidence of previous unpaid fines in repeat offenders. In addition, increased efforts to recover or resolve historic outstanding fines, even in the absence of repeat offending, have also indicated the extent of non-payment. Hence there has been a trend away from the imposition of fines which may be seen as not having the desired punitive effect. Meanwhile, the fall in the number of prosecutions provides a downward pressure on the numbers of fines imposed. At the same time, the average monetary value of fines imposed has been increasing, in part due to the replacement of some traffic fines being replaced with demerit points. The result is a trend that is broadly flat.



**Table 6: Monetary value of fines imposed in police-originated convictions**

Fiscal year	Fines imposed	
	Amount (\$m)	Annual change
2010-2011 (actual)	51.7	-11.82%
2011-2012	51.1	-1.06%
2012-2013	51.5	0.82%
2013-2014	52.1	1.07%
2014-2015	52.7	1.12%

**Figure 7: Monetary value of fines imposed**

## Receipts

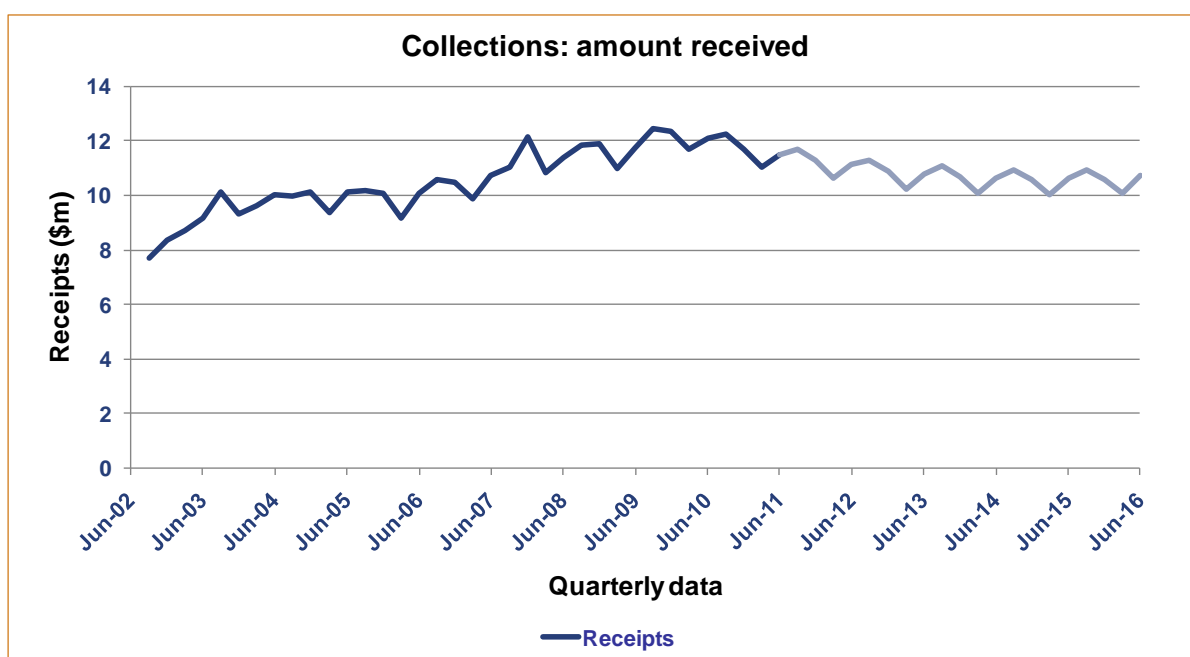
Table 7 and Figure 8 show the total amount collected from monetary penalties imposed in police-originated convictions in the criminal court projected to 2014-2015.

A substantial amount of potential fine income remains to be collected. Hence, the amount collected in a year is less dependent on the flow of cases through the system at that time, and more on the operational activities of the Collections business group of the Ministry of Justice. The group has been recently reorganised to change the focus of its work, and the operational consequences of that reorganisation have informed the forecast. Nonetheless, the projected decline in numbers of cases in the system has an eventual downward impact, as there is a decline in the number of fines that are comparatively easy to collect.

**Table 7: Monetary value of receipts from fines**

Fiscal year	Amount received	
	Value (\$m)	Annual change
<b>2010-2011 (actual)</b>	<b>46.5</b>	<b>-4.25%</b>
2011-2012	44.7	-3.85%
2012-2013	43.2	-3.35%
2013-2014	42.5	-1.65%
2014-2015	42.2	-0.76%

**Figure 8: Monetary value of receipts**



### Remittals

Monetary penalties are not always paid and in these cases the penalty may be remitted. It is generally replaced by a more severe penalty, usually community work, although prison is also used. The circumstances in which this happens include:

- A subsequent conviction, when the judge will note unpaid fines, and remit them while adding to the sentence already due to be imposed.
- A voluntary admission by the offender that s/he is unable to pay the fines, with a request that they be remitted to a different sentence.
- Enforcement action by Collections.

The primary consequence of this sort of fine remittal on other agencies in the sector is the allocation of offenders to more serious sentences. The vast majority of fine defaulters are resented to community sentences, overwhelmingly community work. Therefore, the accurate forecasting of CPS workload requires us to account for this stream of offenders.

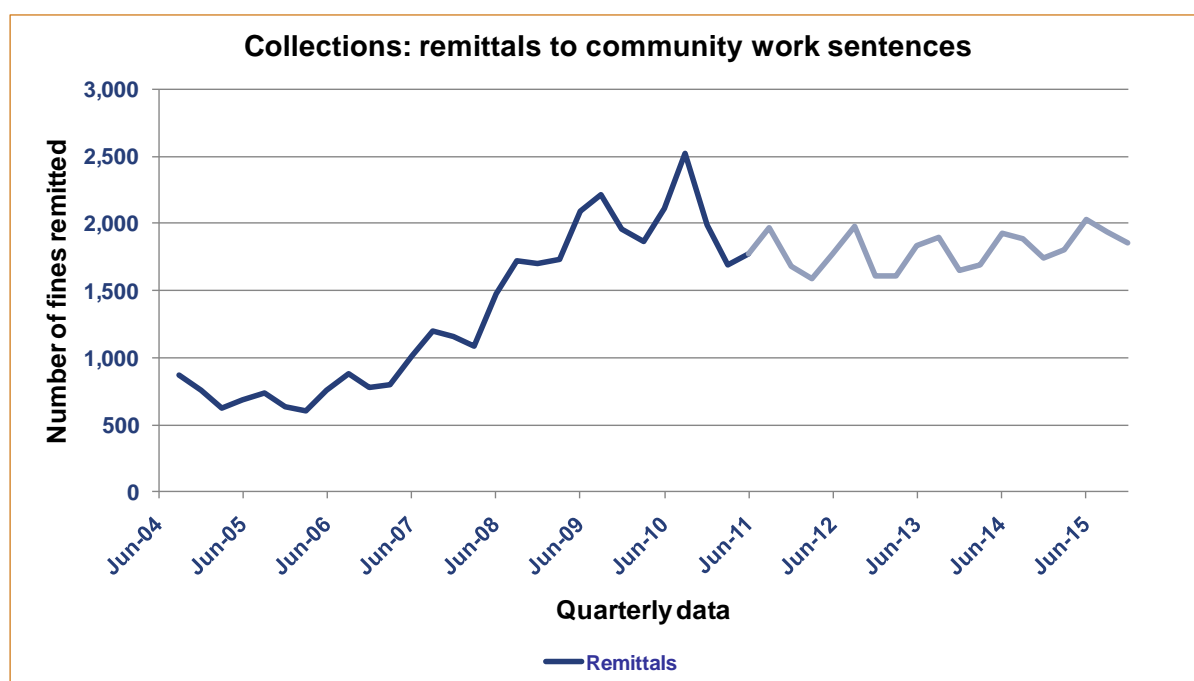
The numbers of offenders who have had fines remitted to prison sentences is also increasing. Effectively all of these offenders, however, receive their sentences for fine default when they are also being sentenced to prison on other charges. That is, offenders who are sentenced to prison for convictions other than fine default may receive a longer prison sentence for having defaulted on their fines. These offenders and their sentences are therefore already accounted for in the prison population forecast.

Table 8 and Figure 9 show the number of offenders remitted to community sentences. The peak in recorded remittals in July 2010 is the result of a specific initiative by the Collections business group. The recently-completed reorganisation of the group means that a similar initiative is not expected in the forecast period. Instead, a steady increase in numbers remitted to community sentences is anticipated.

**Table 8: Fine defaulters remitted to community sentences**

Fiscal year	Numbers remitted	
	Number	Annual change
2010-2011 (actual)	7,987	-2.11%
2011-2012	7,018	-12.14%
2012-2013	7,030	0.18%
2013-2014	7,165	1.92%
2014-2015	7,467	4.21%

**Figure 9: Remittals to community sentences**



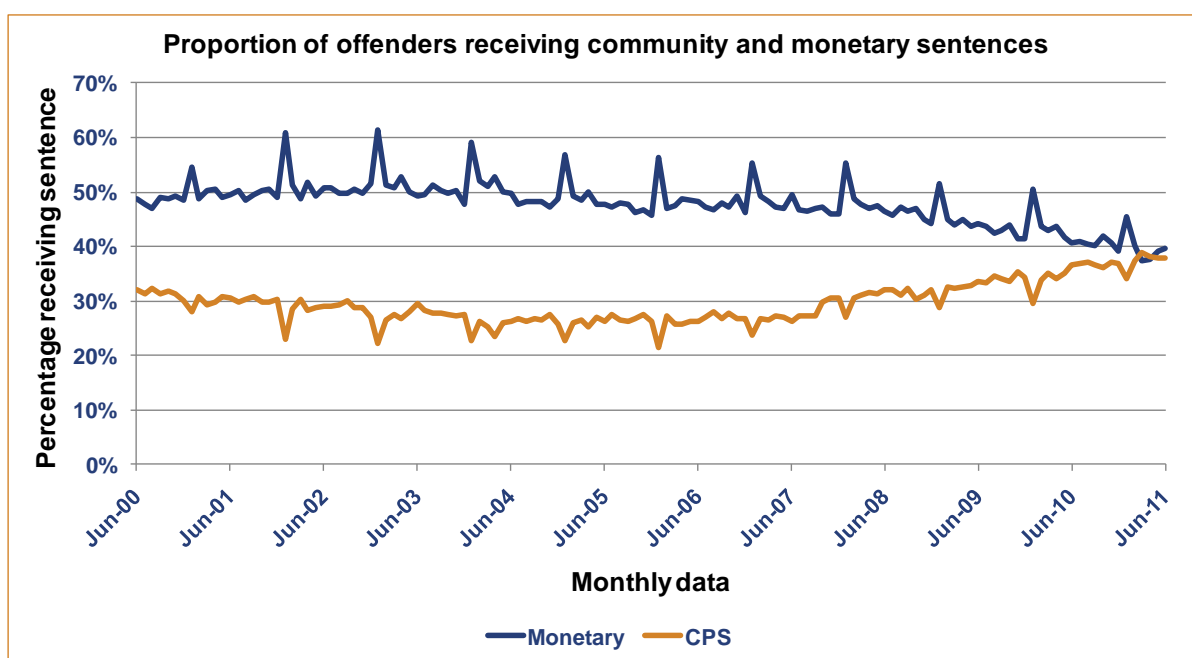
#### 4.4. Community sentences and orders

For the first time in 2011, the forecast projects how many people are overseen by CPS at any one time (the muster), as well as the number of starts on sentences. The distinguishing feature of certain CPS sentences is that the offender has the ability to choose the length of time over which they will complete their sentence. For example, someone may be sentenced to serve a certain number of hours on Community Work, but will have considerable discretion over when to serve those hours. It follows that the completion date of these sentences cannot be known in advance. Much of the time required to supervise these sentences is at the start, which means that a forecast of new starts remains important for administrative reasons.

The historical data for several of these sentences (particularly muster numbers) cover relatively short time scales and, as a result, the range of uncertainty is very broad. It is prudent, therefore, to look no more than four years ahead.

The recent upturn in the use of community sentences is mirrored by a decline in the use of fines, and reflects a lessening of judicial confidence in monetary penalties. Figure 10 shows the change over time with fines declining from a level of around 50% to around 40% at present. Over the same period community sentences have risen from a minimum of 25% also to about 40%. The marked peaks in the data occur in January each year, and reflect the use of fines to sentence the large number of drink driving offenders that are dealt with then.

**Figure 10: Use of community and monetary sentences**



Collections have recently improved their enforcement practices, so in due course there may be a move back towards fines, which will have consequences for the use of other sentences. The 2011 forecast assumes that the proportion of fines will continue to decline only slightly further.

There has also been an increase in the numbers of different CPS sentences and orders included in the forecast. There are three broad categories: sentence-related data, orders relating to post-

sentence management, and the provision of information to court. Court information material relating to the provision of reports for sentencing purposes is covered in Section 4.2. The remaining items are as follows:

- Sentence starts and musters for:
  - Home Detention
  - Community Detention
  - Intensive Supervision
  - Community Work
  - Supervision
- Post-sentence management
  - Post-detention Conditions
  - Extended Supervision
  - Parole
  - Life Parole
  - Release on Conditions
- Provision of Information
  - Court Servicing hours
  - Pre-release enquiries
  - Home Leave reports
  - Parole Condition Progress reports

### Sentence starts and musters

Table 9, Figure 11, Figure 12 and Figure 13 show the projected numbers of starts on the five community sentences in the forecast. The use of community sentences is being driven by two factors: the overall decline in the number of cases in the system; offset by the fact that, of those cases, a higher proportion are receiving community sentences as the usage of fines falls. Most of the projections for community sentences are broadly flat. The key exceptions are Community Work and Supervision, where long-term upward trends are expected to continue at slightly reduced rates.

**Table 9: Community sentence starts**

Fiscal year	Community Work*	Supervision	Intensive Supervision	Community Detention	Home Detention	Total
<b>2010-2011 (actual)</b>	<b>41,483</b>	<b>11,143</b>	<b>2,675</b>	<b>5,492</b>	<b>3,631</b>	<b>64,424</b>
2011-2012	41,463	11,738	2,504	4,996	2,919	63,620
2012-2013	41,939	12,143	2,456	5,023	2,825	64,386
2013-2014	42,319	12,294	2,406	5,255	2,725	64,999
2014-2015	42,841	12,379	2,347	5,401	2,587	65,555

\* Includes remittals from fines

Figure 11: Community sentences: total number of starts

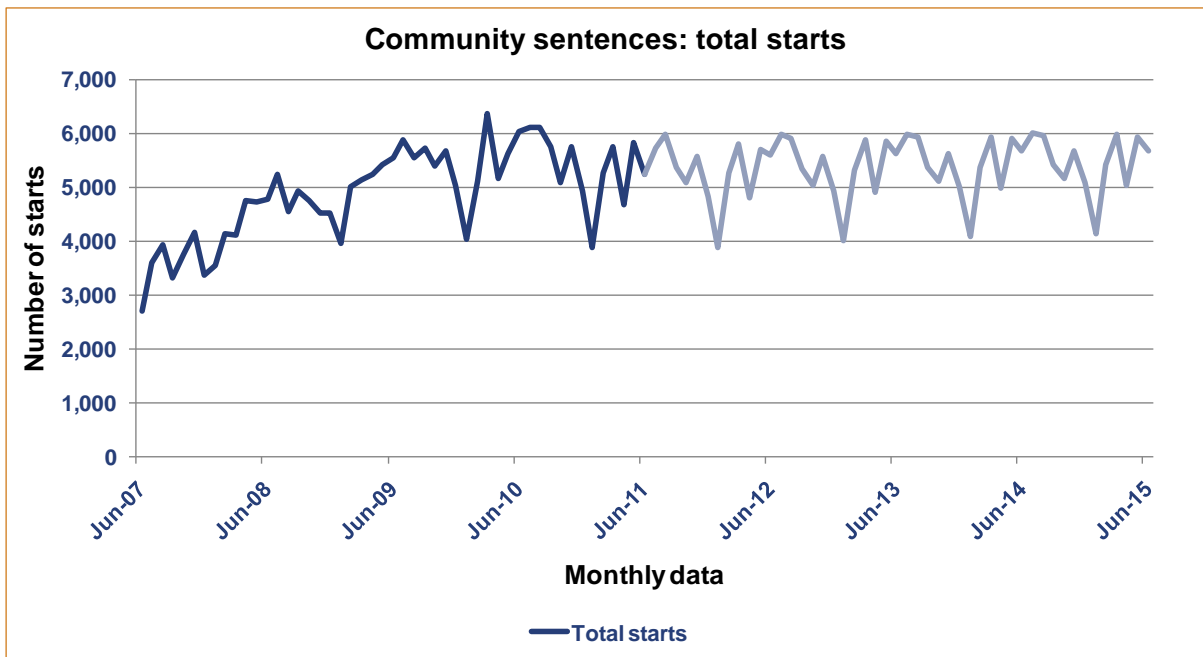


Figure 12: Community Work and Supervision: starts

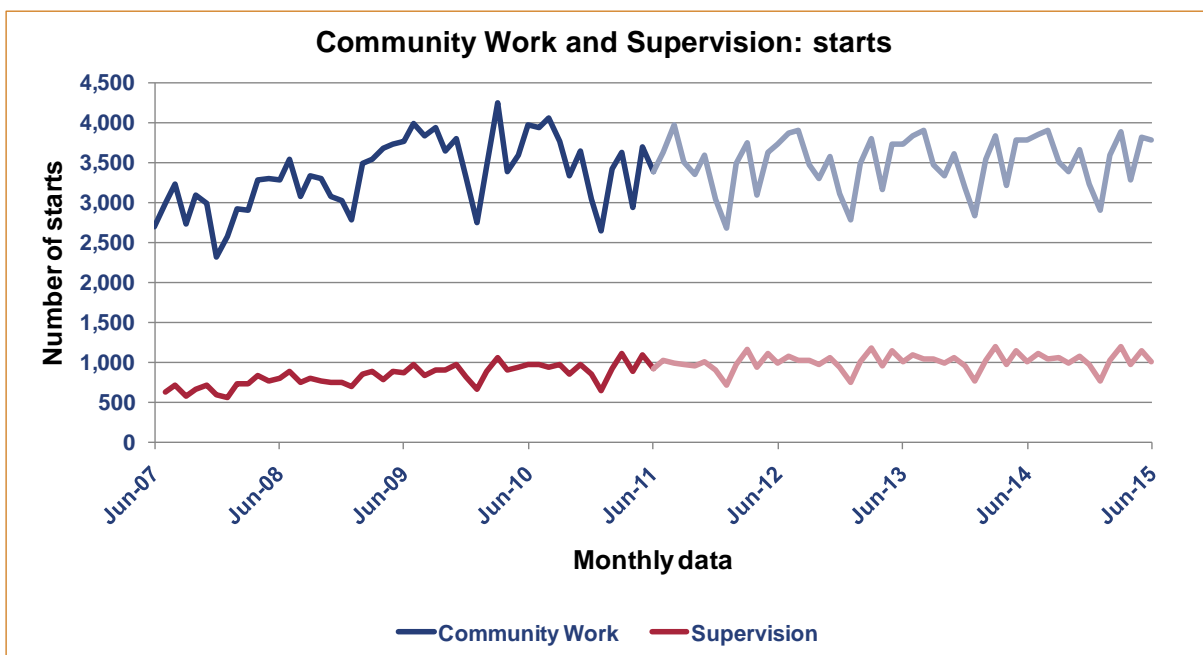


Figure 13: Other community sentences: starts

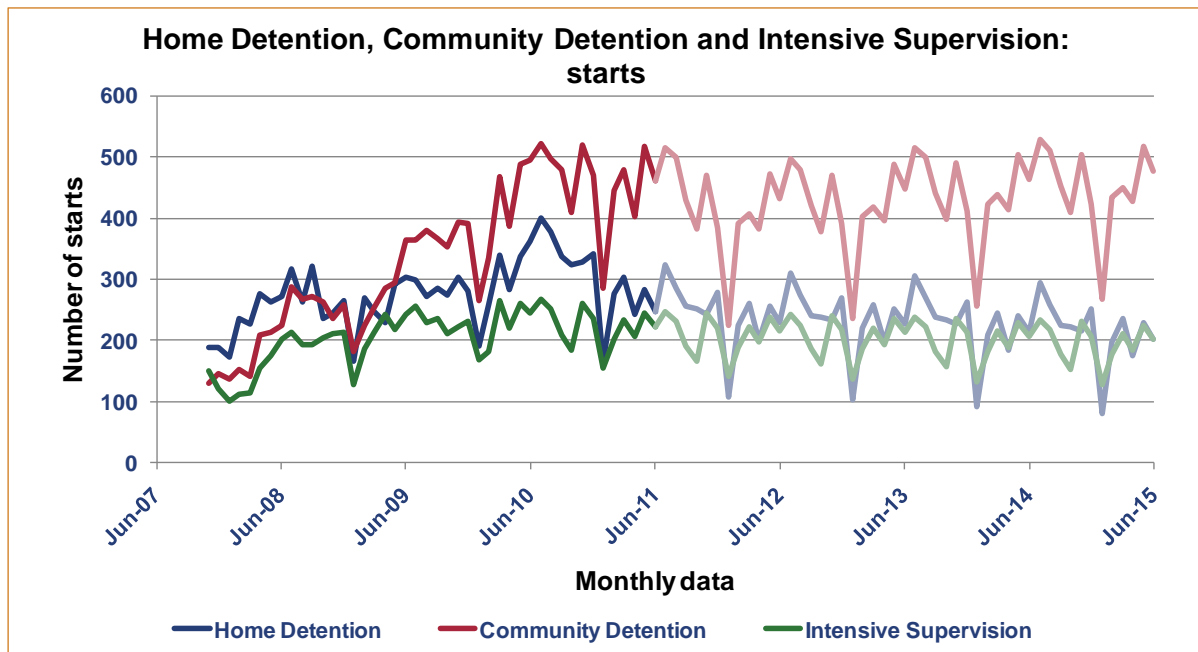


Table 10, Figure 14, Figure 15 and Figure 16 show the muster numbers for the community sentences. Muster numbers are generally lower than starts, reflecting the fact that the majority of these sentences are completed in less than a year.

Table 10: Community sentence muster numbers

Fiscal year	Community Work*	Supervision	Intensive Supervision	Community Detention	Home Detention	Total
<b>2010-2011 (actual)</b>	<b>22,746</b>	<b>7,688</b>	<b>2,560</b>	<b>1,678</b>	<b>1,427</b>	<b>36,099</b>
2011-2012	22,045	8,169	2,368	1,498	1,219	35,299
2012-2013	21,800	8,452	2,331	1,507	1,205	35,295
2013-2014	21,398	8,546	2,282	1,539	1,139	34,904
2014-2015	20,624	8,597	2,226	1,536	1,083	34,066

\* Includes remittals from fines

Figure 14: Community sentences: total muster

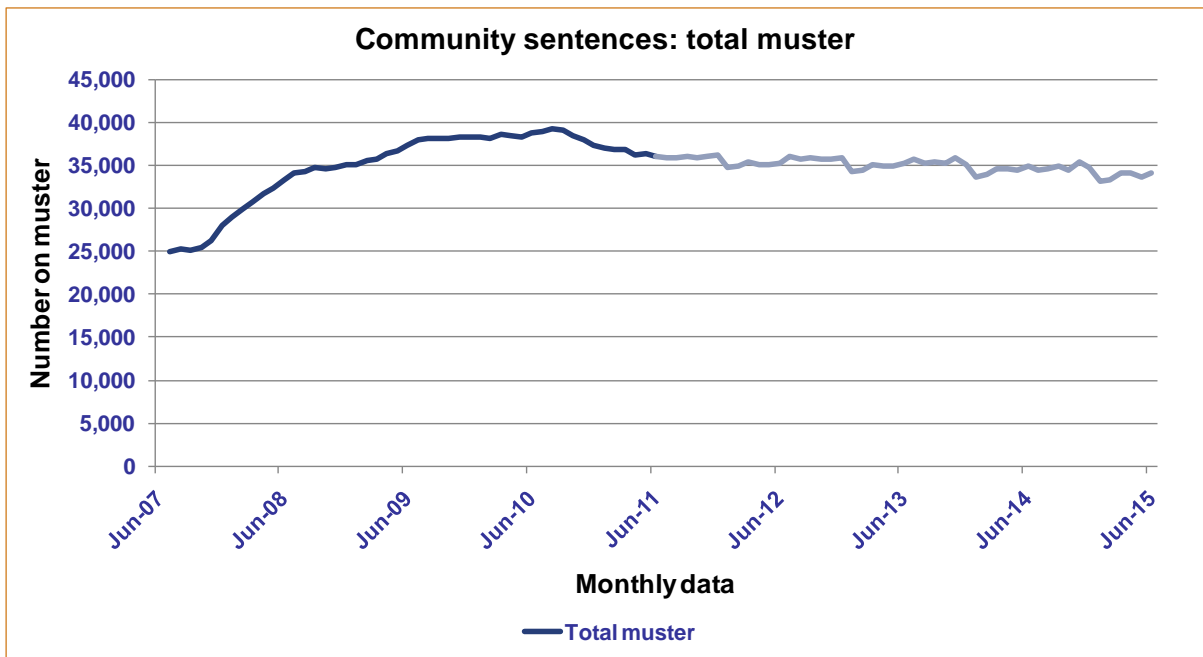


Figure 15: Community Work and Supervision musters

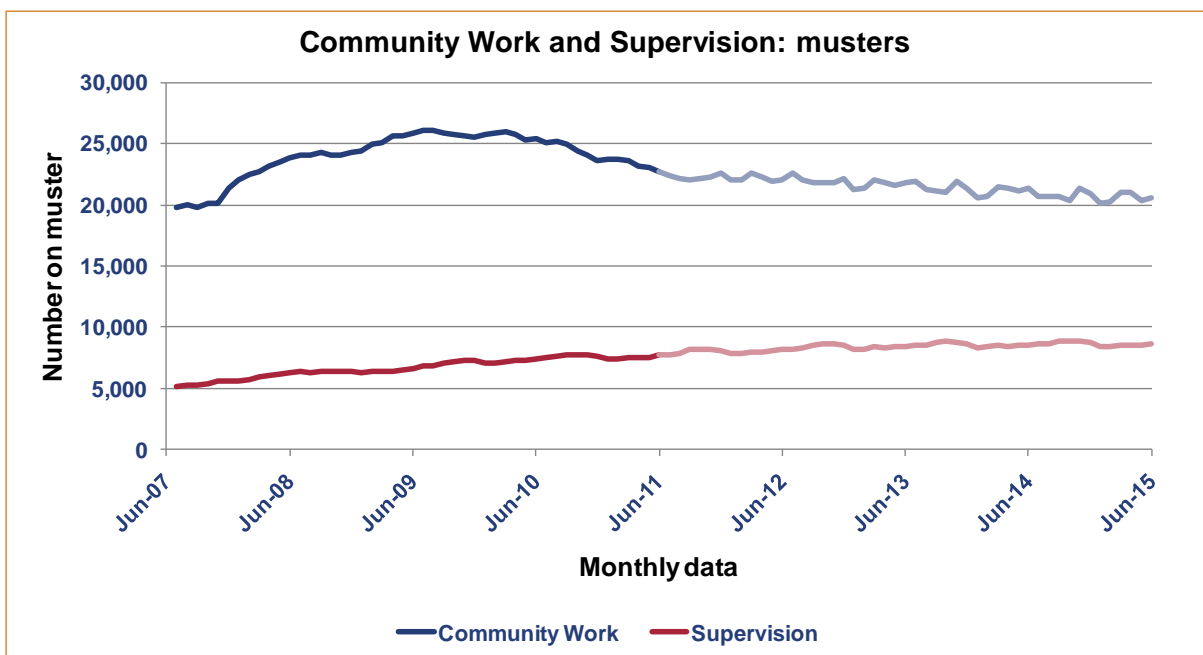
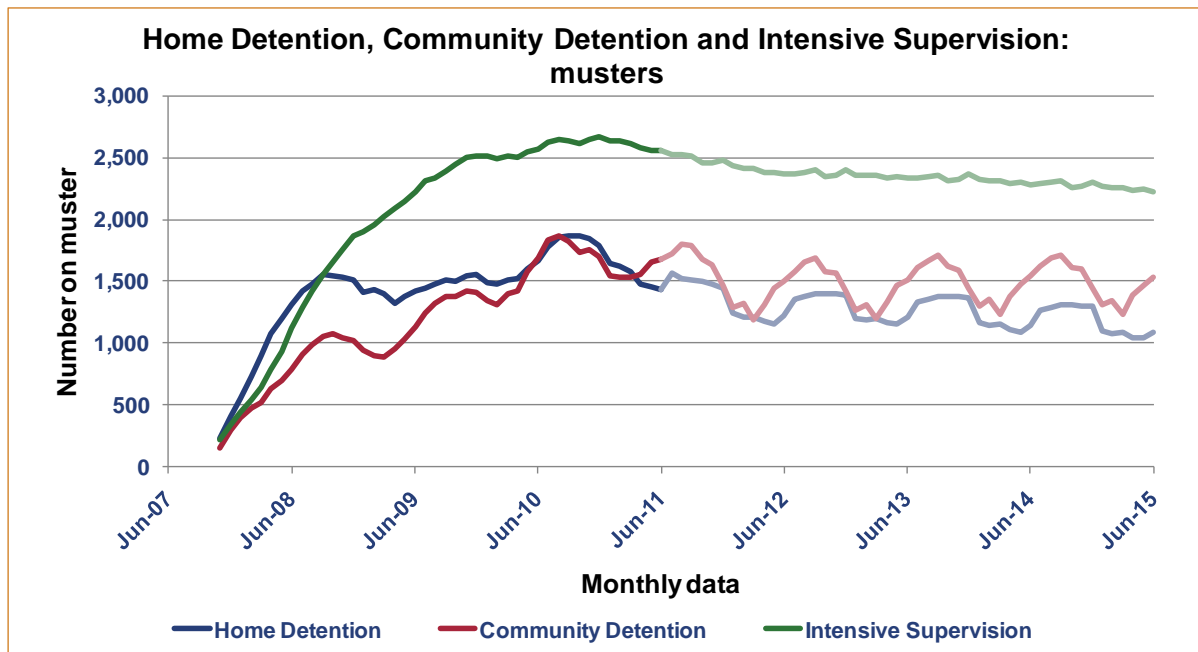




Figure 16: Other community sentences: musters



### Post-sentence management

The CPS is also responsible for managing offenders after they have been released into the community, if that occurs before the final date implied by the imposed sentence. In the case of Extended Supervision, offenders are managed for up to ten further years after the date of the completion of the imposed sentence. The post-sentence management orders covered in the forecast are Extended Supervision, Parole, Release on Conditions, Life Parole (that is, parole conditions applied for life to those released on parole from indeterminate sentences), and Post-detention Conditions. Each of these orders is considered in terms of both starts and musters, as with the sentences.

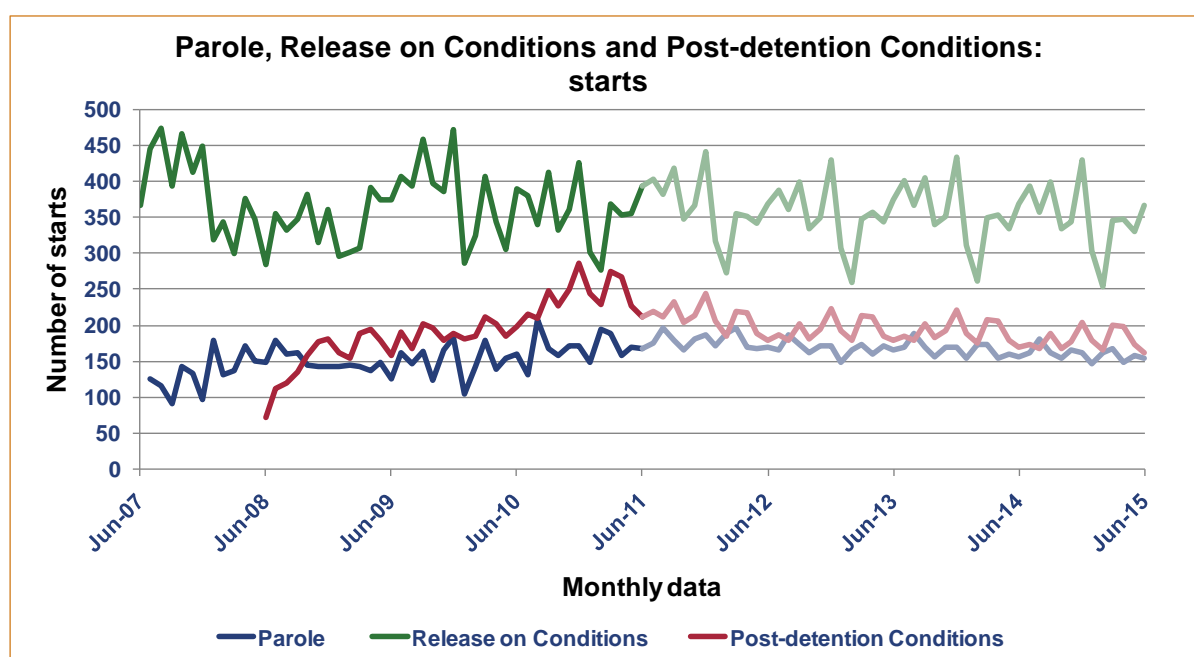
Table 11 and Figure 17 show the numbers of starts in the five post-sentence management orders (with the exception that the numbers starting Life Parole and Extended Supervision in any given year are too small to show graphically). These projections are based on both existing trends in the data, and on the number of releases expected as a result of the prison forecast.<sup>1</sup>

<sup>1</sup> Numbers in the categories of Extended Supervision and Life Parole are too small to be modelled in the same way as the others, and are simple projections of observed trends.

Table 11: Numbers of new starts for post-sentence management

Fiscal year	Extended Supervision	Parole	Release on Conditions	Life Parole	Post-detention Conditions
2010-2011 (actual)	17	2,033	4,301	45	2,888
2011-2012	28	2,145	4,364	38	2,517
2012-2013	28	2,014	4,254	40	2,328
2013-2014	28	1,991	4,273	42	2,284
2014-2015	28	1,919	4,208	44	2,156

Figure 17: Parole, Release on Conditions and Post-detention Conditions: starts



Extended Supervision and Life Parole are long-term management programmes, and thus even the small numbers of starts in individual years eventually produce a reasonably substantial muster. Table 12, Figure 18 and Figure 19 show the forecast muster numbers for these orders.

Table 12: Musters on post-management orders overseen by the CPS

Fiscal year	Extended Supervision	Parole	Release on Conditions	Life Parole	Post-detention Conditions
2010-2011 (actual)	168	1,965	3,476	253	1,396
2011-2012	173	2,178	3,629	256	1,147
2012-2013	184	2,065	3,632	270	1,124
2013-2014	195	2,030	3,730	297	1,087
2014-2015	186	1,961	3,745	310	1,042

Figure 18: Parole, Post-release conditions and Post-detention conditions: musters

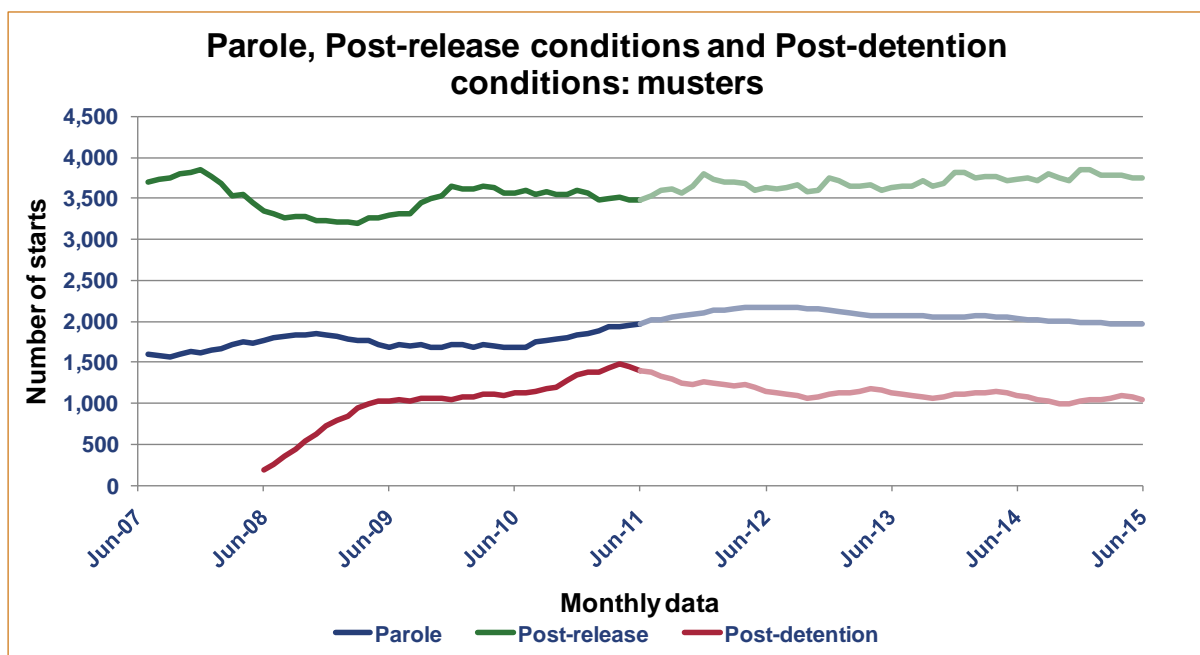
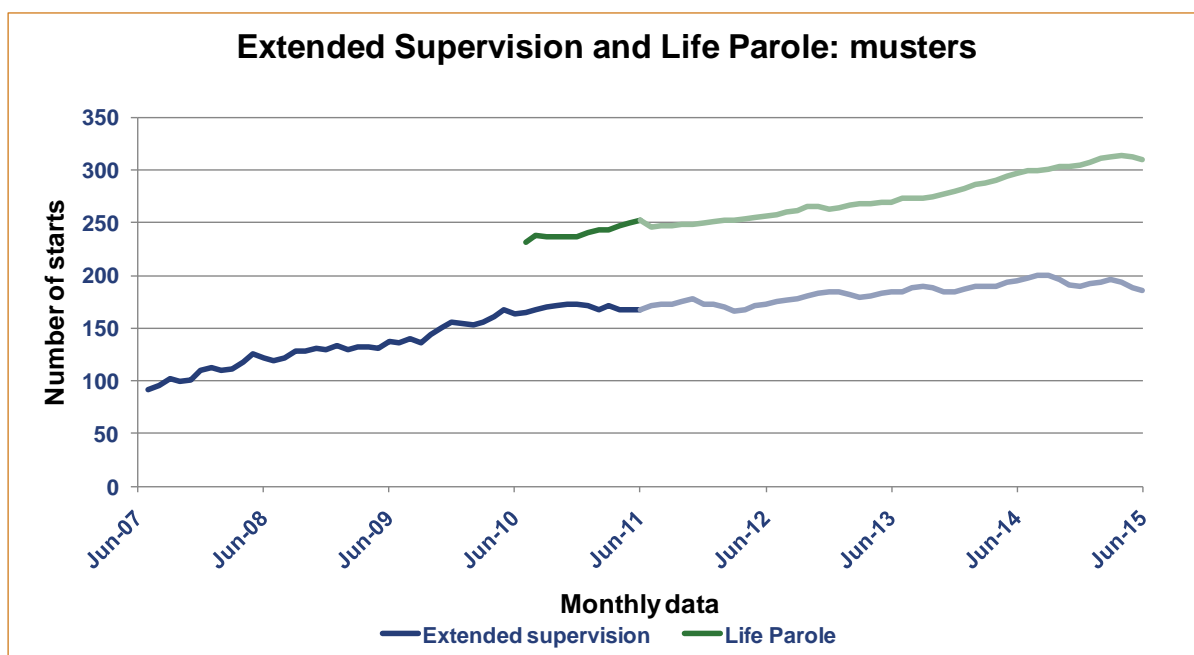


Figure 19: Extended Supervision and Life Parole: musters



### Provision of Information

The role of a court officer/probation officer is that of a ‘front person’ for the CPS in the district court setting. Important functions include appearing as a prosecutor for CPS breaches and applications, providing information to the judges/court users, and attendance at any court where home detention sentencing is taking place to receive instructions in regard to the immediate activation of the sentence.<sup>2</sup>

These duties can use a considerable proportion of CPS staff resource. The 2011 forecast provides a projection of the number of hours, called ‘court servicing hours’, required for these duties. While there has been an increase in this work in the past year, the ongoing decline in court business should limit growth in future years.

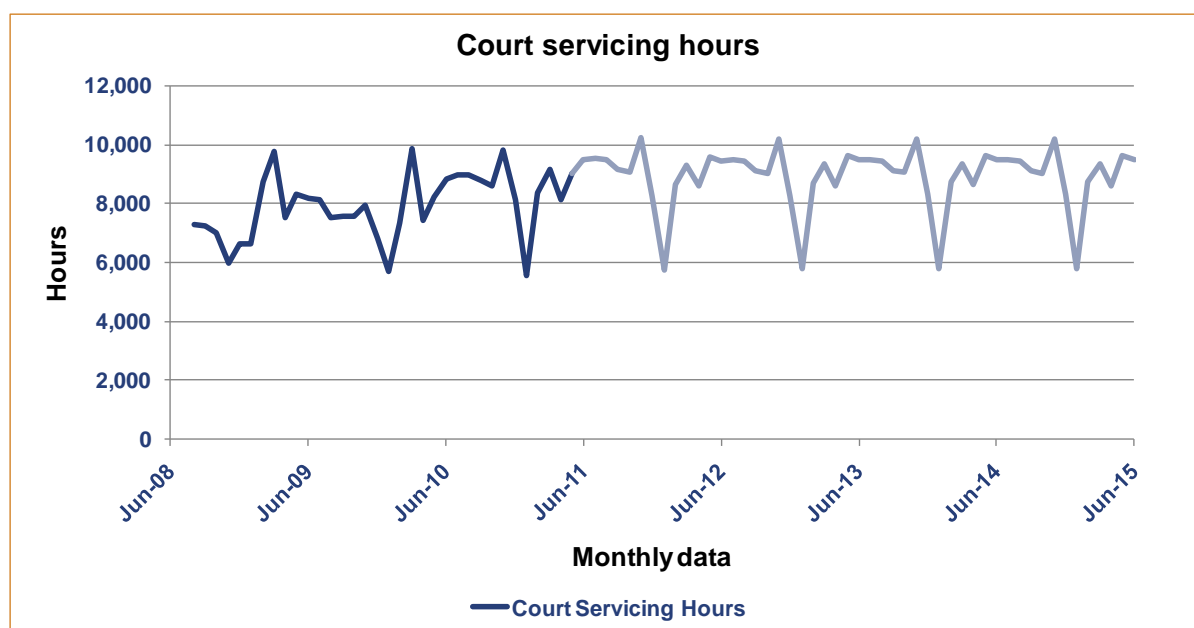
Table 13 and Figure 20 give the numbers of court servicing hours projected to 2014-2015.

<sup>2</sup> There are several other activities. A fuller list can be found at: <http://www.corrections.govt.nz/policy-and-legislation/cpps-operations-manual/volume-1/iii.html>.

Table 13: Numbers of court servicing hours to be met by CPS

Fiscal year	Court servicing hours	
	Numbers	Annual change
<b>2010-2011 (actual)</b>	<b>103,022</b>	<b>10.91%</b>
2011-2012	107,089	3.95%
2012-2013	107,057	-0.03%
2013-2014	107,325	0.25%
2014-2015	107,238	-0.08%

Figure 20: Court servicing hours



The remaining items in the CPS workload section of the forecast are principally associated with preparations for release on parole, and subsequent monitoring. They are:

- Pre-release Enquiries: reports to prepare for an offender's appearance before the Parole Board;
- Home Leave Reports: reports to assess a prisoner's suitability for a three-day period of home release prior to the conclusion of their prison sentence;
- Parole Condition Progress Reports: reports to the Parole Board to assess how well a paroled offender is meeting any conditions the Board has imposed.

Table 14, Figure 21 and Figure 22 give the projections for the numbers of these items. The large increase in Home Leave Reports between 2009-2010 and 2010-2011 represents a change from an average of 14 to 21 reports a month. This includes an unusually high value which is not expected to recur.

Table 14: Pre-release Enquiries, and Home Leave and Parole Progress Reports

Fiscal year	Pre-release Enquiries		Home Leave Report		Parole Condition Progress Report	
	Numbers	Annual change	Numbers	Annual change	Numbers	Annual change
2010-2011 (actual)	6,117	3.0%	261	56.6%	458	-1.5%
2011-2012	6,536	6.9%	212	-18.8%	441	-3.7%
2012-2013	6,228	-4.7%	214	0.8%	441	0.0%
2013-2014	6,171	-0.9%	213	-0.6%	441	0.0%
2014-2015	5,994	-2.9%	212	-0.6%	441	0.0%

Figure 21: Pre-release enquiries

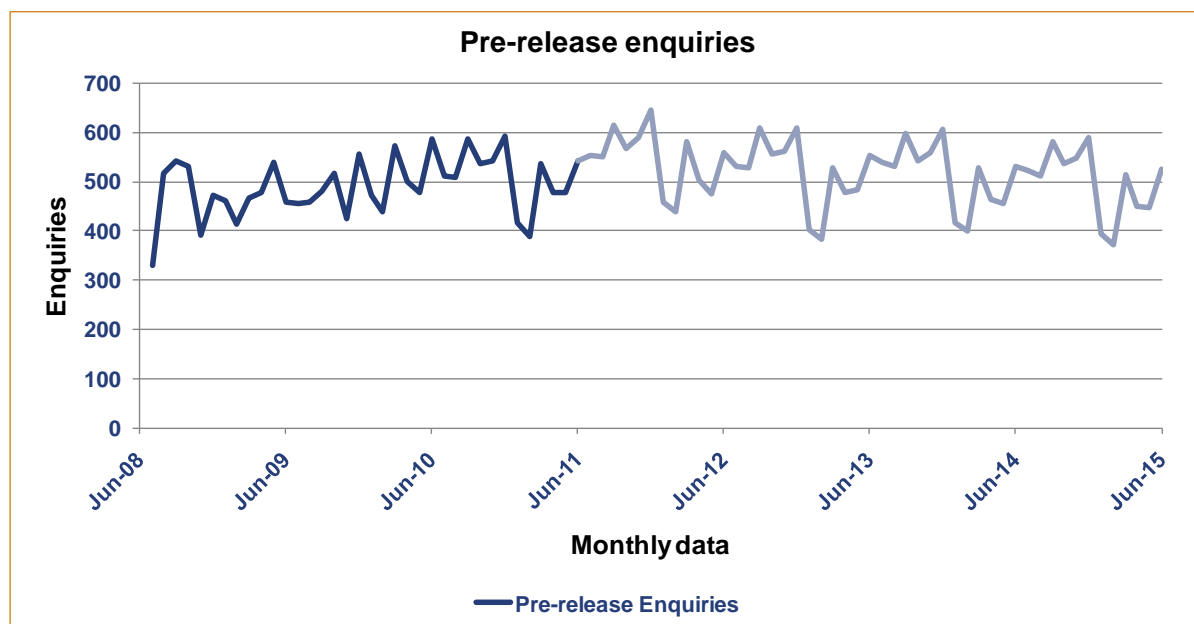
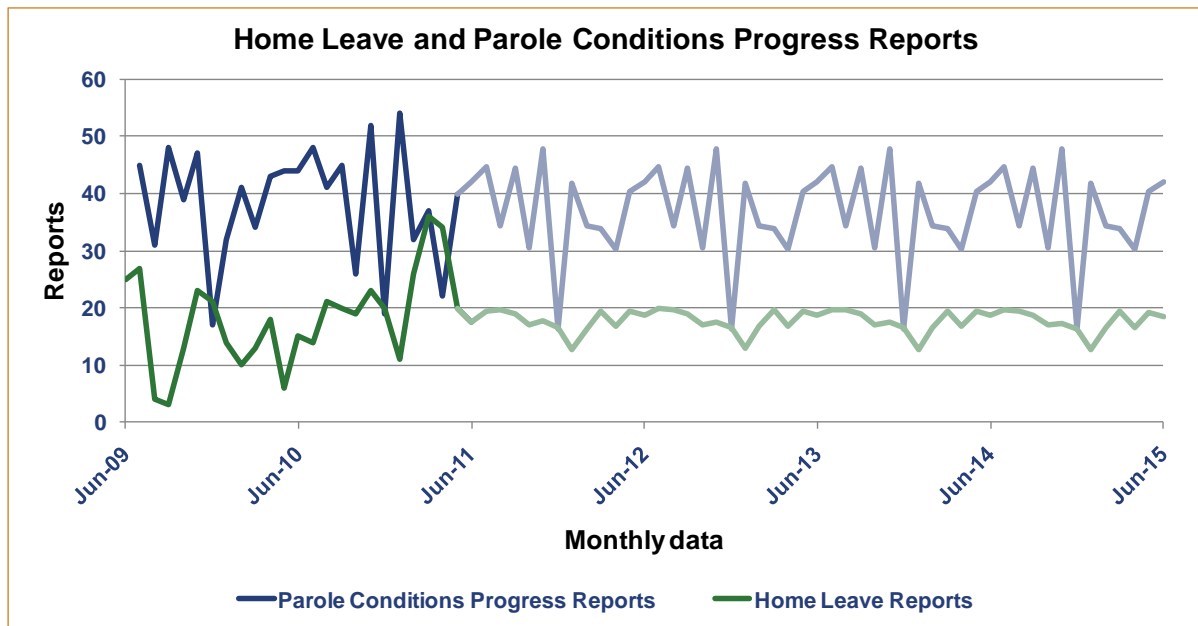


Figure 22: Home Leave and Parole Condition Progress Reports



#### 4.5. Prison population

The prison population is forecast to be 8,165 by 30 June 2021. This is a 6.2% decrease from 30 June 2011. The increase in the actual prison population over the preceding ten years was 45.6%.

The forecast June 2021 prison population consists of 6,436 sentenced prisoners (-5.9% from June 2011) and 1,729 remand prisoners (-7.4 from June 2011). Over the previous ten years the sentenced population increased by 33.7%, while the remand population increased by 116%. The primary component of the change in the population is the remand population: over the forecast period numbers remanded are expected to fall (assuming a constant remand rate and a fall in numbers entering the court system).

The incarceration rate per 100,000 people is projected to decrease from 198 in June 2011 to 170 by 2021. This compares with an increase from 154 to 198 between 2001 and 2011.<sup>3</sup>

Figure 23 shows the change in the prison population over the forecast period.

<sup>3</sup> In calculating the population for 2021, Series 5 of Statistics New Zealand population projections was used – average fertility, mortality and immigration levels. The population for mid-2011 is taken from Statistics New Zealand's population counter.

Figure 23: Total prison population



**Confidence limits**

Figure 24 shows the prison forecast with 68% and 95% confidence limits. Figure 25 and Figure 26 show confidence limits on sentenced and remand populations respectively. Although the remand population is less than a quarter of the total, the confidence limits are much the same. This is because it is harder to be precise when the sample is both smaller in absolute size and more volatile in behaviour.

Figure 24: 2011 prison population forecast with confidence limits

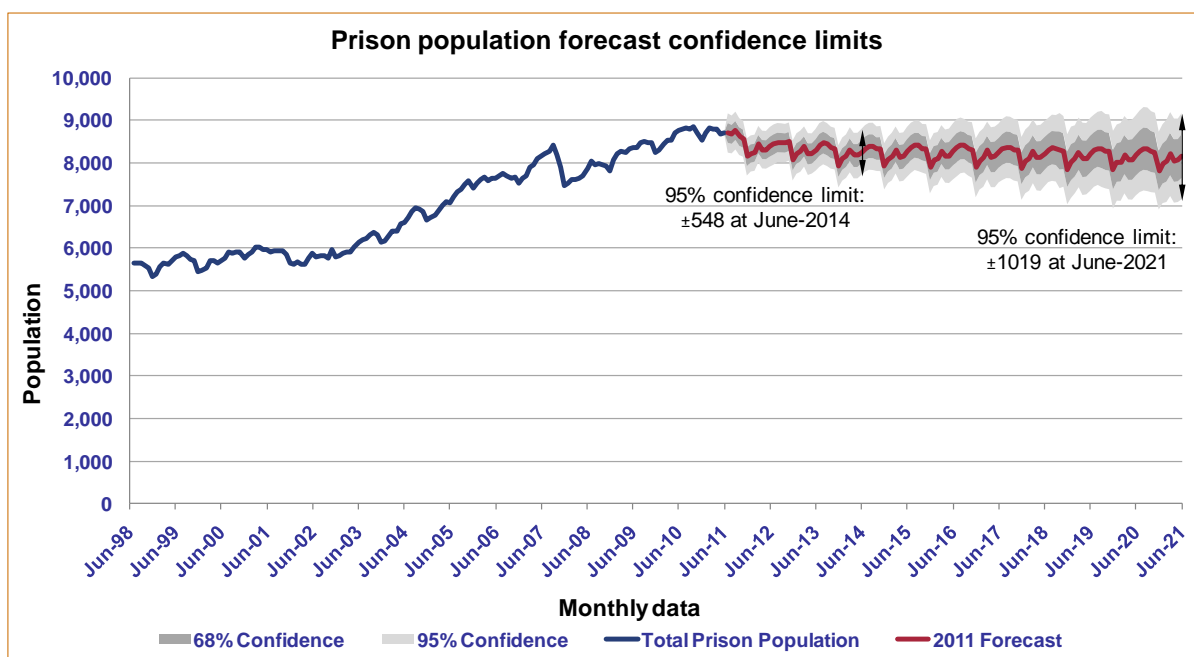




Figure 25: 2011 sentenced population forecast with confidence limits

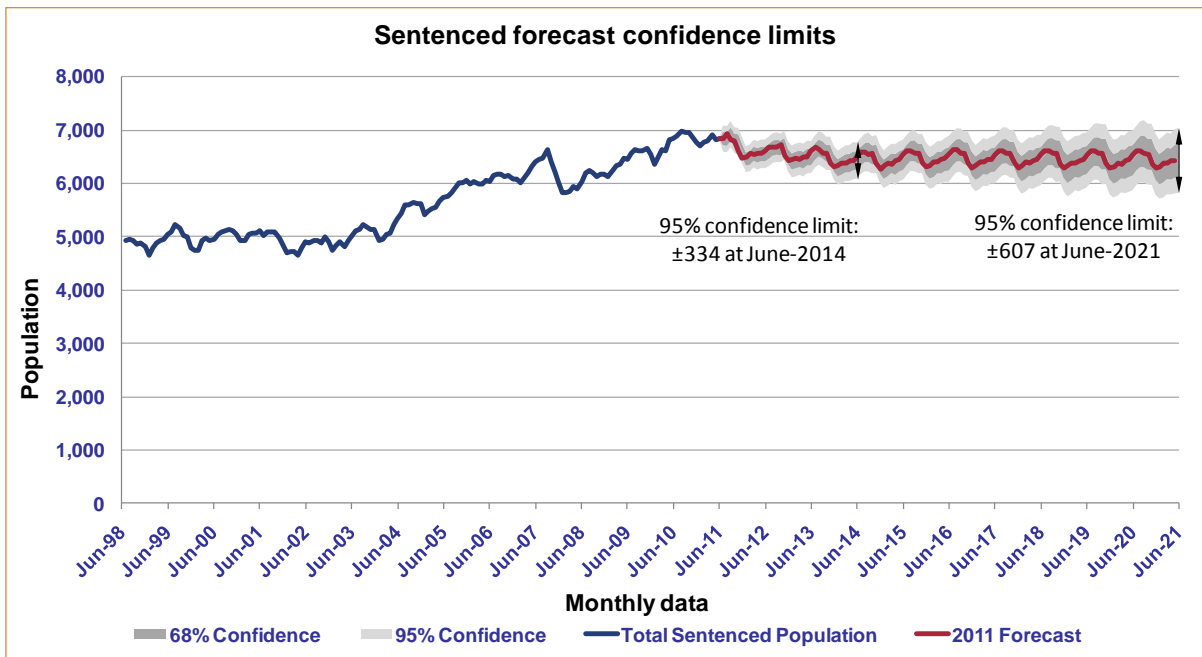
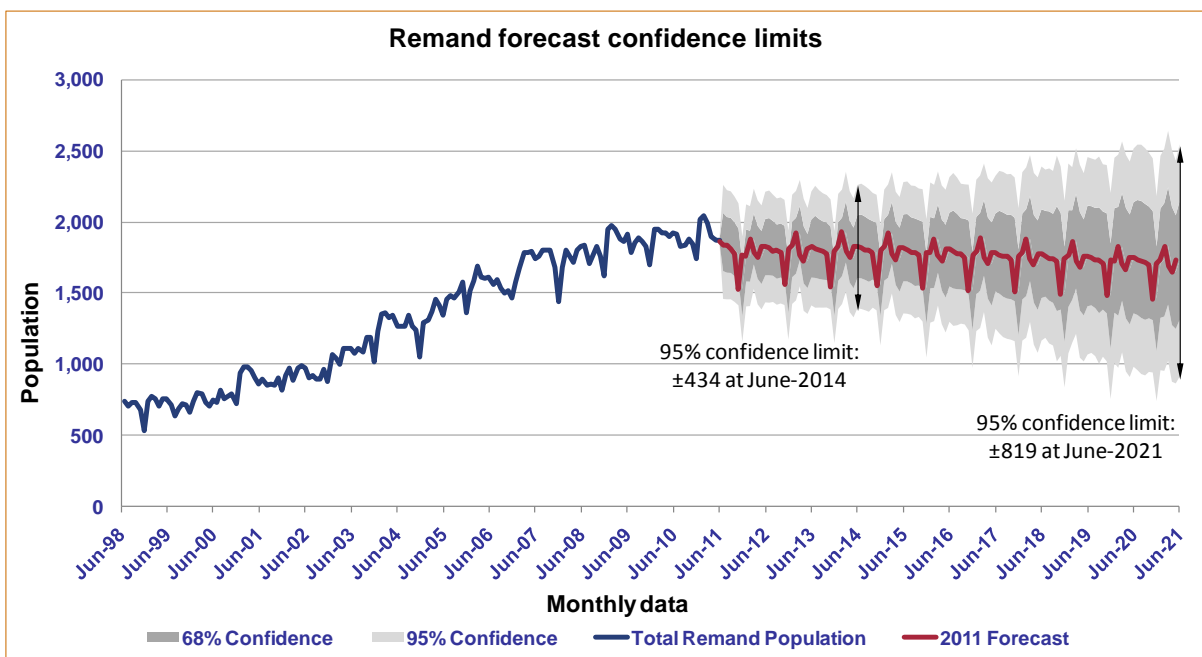


Figure 26: 2011 remand population with confidence limits



**Prison Population forecasts**

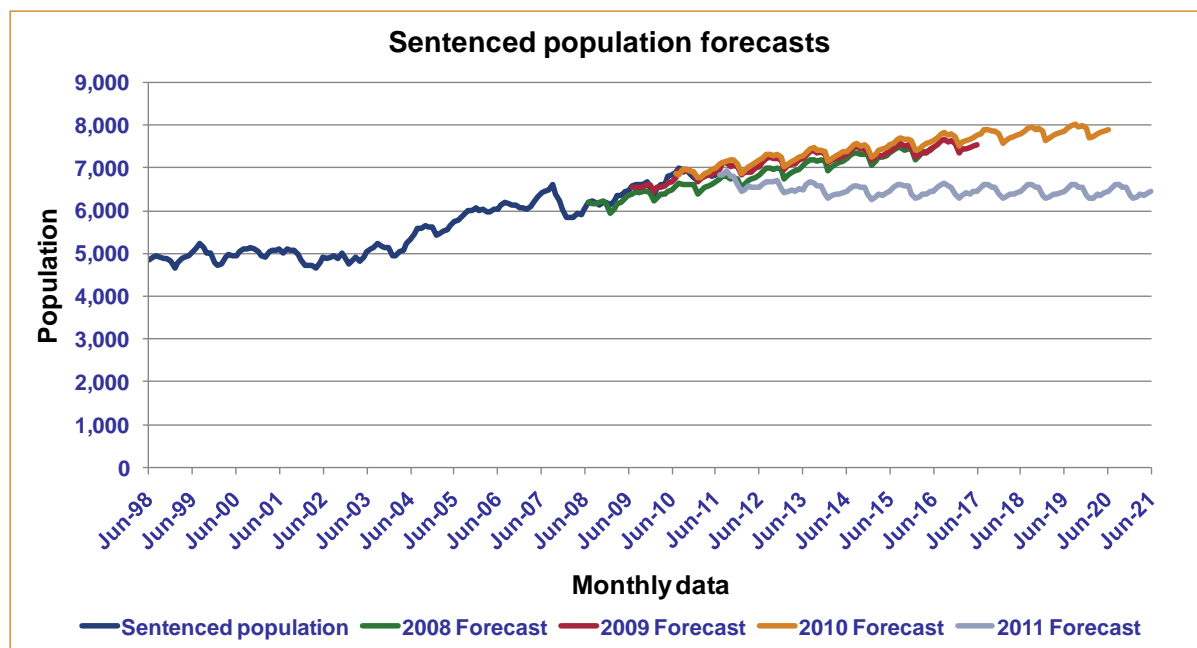
Table 15 sets out the estimated prison population for June each year, along with the maximum in the fiscal year to that date. The numbers given are point estimates of the prison population at the end of the relevant month.

**Table 15: June total and annual maximum values**

Fiscal year	June total		Maximum (month of occurrence)	
	Population	Annual change	Numbers	Annual change
<b>2010-2011 (actual)</b>	<b>8,708</b>	<b>-0.5%</b>	<b>8,845 (Oct)</b>	<b>1.1%</b>
2011-2012	8,383	-3.7%	8,765 (Sep)	-0.9%
2012-2013	8,311	-0.9%	8,506 (Nov)	-2.9%
2013-2014	8,262	-0.6%	8,480 (Aug)	-0.3%
2014-2015	8,266	0.1%	8,396 (Aug)	-1.0%
2015-2016	8,273	0.1%	8,418 (Aug)	0.3%
2016-2017	8,239	-0.4%	8,417 (Aug)	0.0%
2017-2018	8,221	-0.2%	8,375 (Aug)	-0.5%
2018-2019	8,205	-0.2%	8,361 (Aug)	-0.2%
2019-2020	8,186	-0.2%	8,348 (Aug)	-0.2%
2020-2021	8,165	-0.3%	8,338 (Aug)	-0.1%

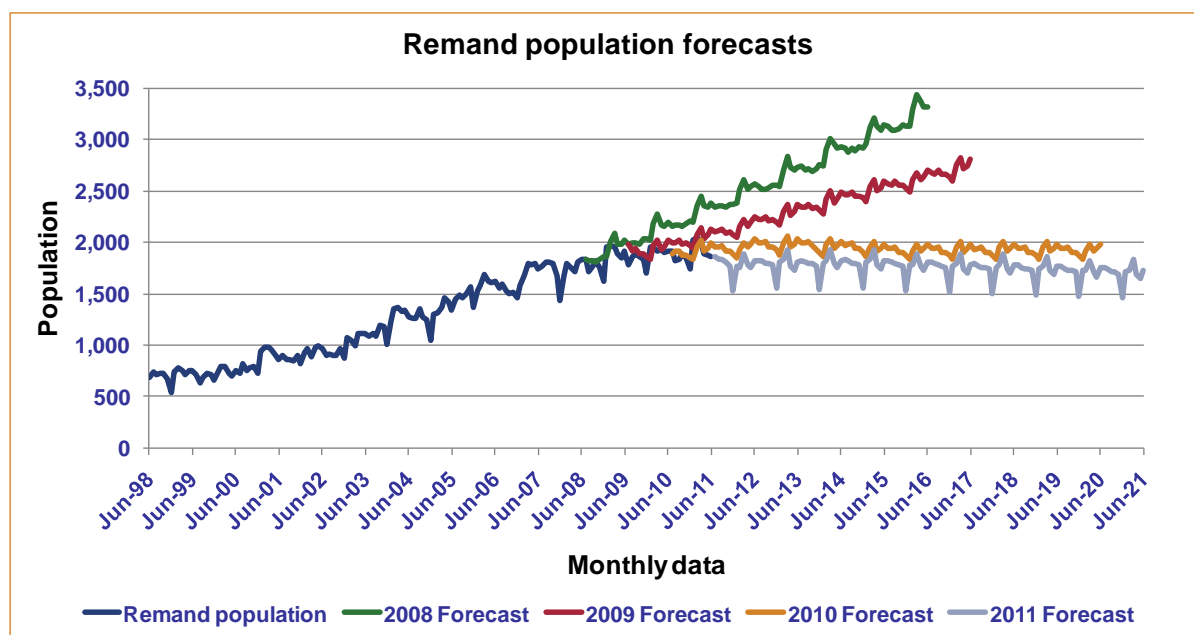
Figure 27 and Figure 28 show the different behaviours of the remand and sentenced populations relative to previous forecasts<sup>4</sup>. There is a decrease in the remand population due to fewer numbers entering the court. In the latest forecast, the assumption that there will be an ongoing fall in the numbers entering the system leads to a fall in the sentenced population, offset by an increase in conviction rate, meaning that the sentenced population eventually levels off.

**Figure 27: Sentenced muster forecasts: 2008-2016, 2009-2017, 2010-2020, 2011-2021**



<sup>4</sup> The prison population forecast horizon has been progressively extended, so that it now covers a 10 year period.

Figure 28: Remand muster forecasts: 2008-2016, 2009-2017, 2010-2020, 2011-2021



Finally, Table 16 sets out the estimated prison population, broken down into remand and sentenced populations, for June each year. The numbers given are point estimates of the prison population at the end of June.

Table 16: Numbers in remand and sentenced populations for June

Fiscal year	Remand population		Sentenced population	
	Numbers	Annual change	Numbers	Annual change
<b>2010-2011 (actual)</b>	<b>1,867</b>	<b>-2.8%</b>	<b>6,841</b>	<b>0.1%</b>
2011-2012	1,824	-2.3%	6,559	-4.1%
2012-2013	1,814	-0.5%	6,497	-1.0%
2013-2014	1,827	0.7%	6,435	-1.0%
2014-2015	1,819	-0.4%	6,447	0.2%
2015-2016	1,807	-0.7%	6,466	0.3%
2016-2017	1,787	-1.1%	6,452	-0.2%
2017-2018	1,778	-0.5%	6,443	-0.1%
2018-2019	1,762	-0.9%	6,443	0.0%
2019-2020	1,749	-0.7%	6,437	-0.1%
2020-2021	1,729	-1.1%	6,436	0.0%

### Comparison with previous forecasts

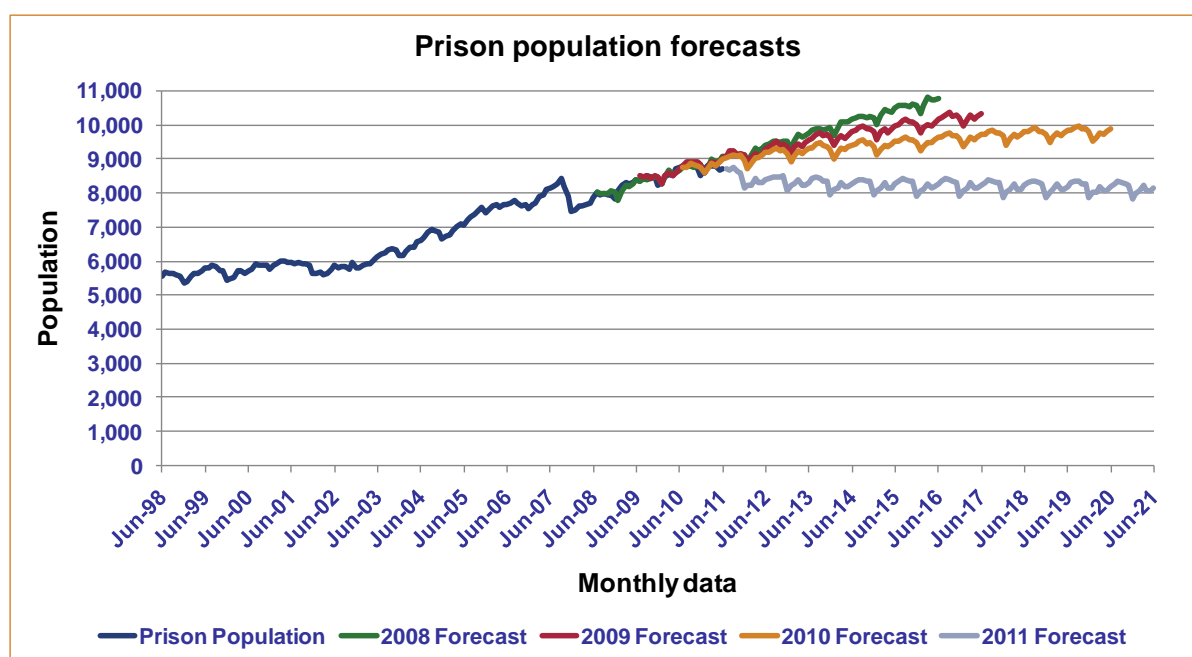
Figure 29 compares the 2011 forecast to the 2008, 2009 and 2010 forecasts. The 2011 forecast picks up on the actual value already diverging from the 2010 forecast and moves down to settle at around 8,000 by the end of the forecast period. There has been a trend over succeeding

## Justice Sector Forecast 2011-2021

years of each year's forecast reaching a level lower than its predecessor, and this year the trend becomes a downward one.

The reason for this decline lies in the assumptions made year on year. This year, as noted in Table 2, most of the key assumptions are lower than last year, with only the proportion convicted showing a significant increase. This results in a substantial downward pressure across all aspects of the prison population. In particular, a substantial fall in numbers entering the court system has already been observed, and the consequences of this fall in terms of offenders moving into the prison system will continue to be seen for the next year or more.

**Figure 29: Comparison of 2008 and 2009 forecasts with 2010 forecast**



### 4.6. Legal aid expenditure

On 1 July 2011, the Legal Services Agency became part of the Ministry of Justice and was renamed the Legal Services Group. For the first time, legal aid is included as part of the Justice Sector Forecast.

Legal aid is presently available for cases in a number of jurisdictions, namely the criminal, family and civil courts, along with Waitangi Tribunal legal aid, the duty solicitor and police detention legal assistance (PDLA) schemes. The portion of legal aid expenditure associated with grants in criminal cases is heavily dependent on the number of cases in the system, and therefore there is benefit in linking legal aid to the rest of the forecast in that area.

The forecast projects grants, costs and overall expenditure for the criminal, family and civil jurisdictions, and total expenditure only for Waitangi Tribunal legal aid, and for the duty solicitor and police detention legal aid schemes.

The forecasts produced here use the same techniques as the rest of the forecast, but the workload drivers in these areas are much less well understood. Work is being undertaken to

further develop data sets and models for forecasting and understanding trends in legal aid. However, legal aid is a new component in the Justice Sector Forecast, and the results here should be considered more provisional than in other sections.

The situation is complicated by an ongoing programme of legislative change around the use of legal aid. The planned changes will overhaul current legal aid policy and legislative settings, and will mean that existing trends will not be readily usable as indicators of future behaviour. Such comprehensive change is a severe challenge for any forecast. We will, as with the rest of the forecast, monitor the projections against actual to learn more about the system for future forecasts.

### **Legal Aid forecast**

The legal aid forecast is built up from projecting trends in component categories. In the criminal jurisdiction, these categories are types of offence. Family jurisdiction categories include matters such as care of children or mental health, while the categories in the civil jurisdiction include ACC and refugee cases. It is important to work at this level of detail because costs, numbers and trends vary greatly between categories. For example, a homicide case costs much more, on average, than a property offence, although the latter is much more common. This report covers only the total numbers for each jurisdiction.

After a table showing the total expenditure per annum, trends are presented in graphs. Each jurisdiction is split into three sections: number of grants, average cost per grant, and total expenditure. The final section looks at expenditure only for Waitangi Tribunal cases, the duty solicitor scheme, and the police detention legal assistance (PDLA) scheme.

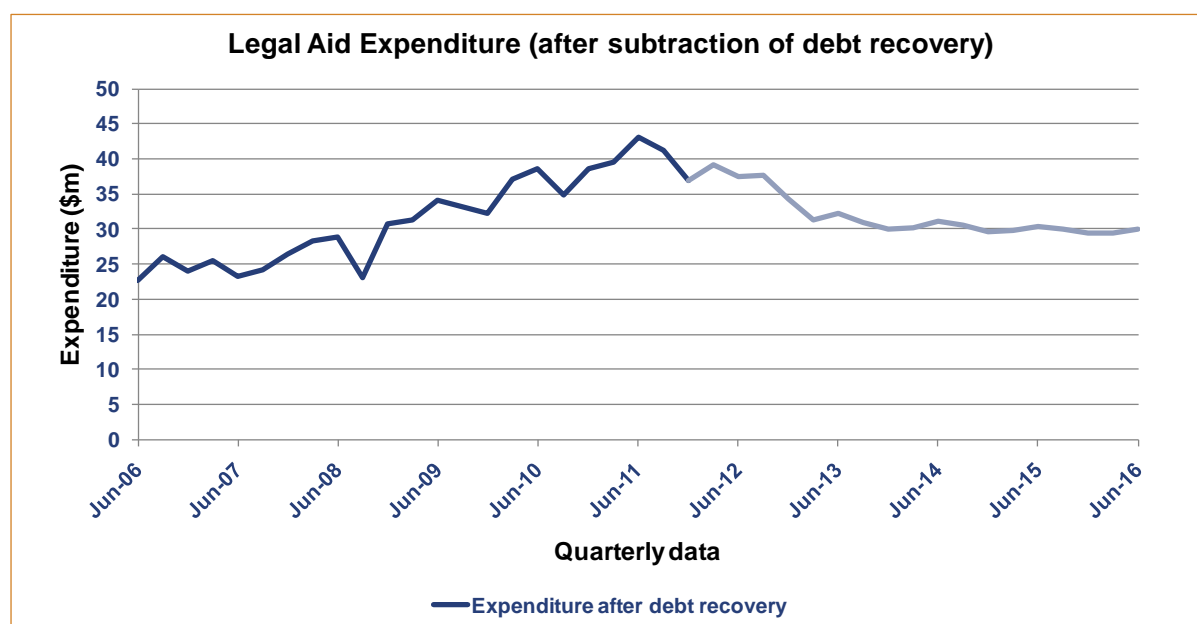
### **Total expenditure**

Table 17 and Figure 30 give the forecast total expenditure on legal aid. The table breaks this down by jurisdiction. Trends in individual jurisdiction totals appear in the sections that follow.

**Table 17: Total expenditure on legal aid**

Jurisdiction	Actual (\$m)	Forecast (\$m)				
	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Criminal	81.2	62.3	48.0	44.6	42.1	40.2
Family	53.1	60.5	53.5	53.7	54.4	55.2
Civil	8.3	6.8	5.1	4.8	4.7	4.5
Waitangi	16.2	17.7	17.4	18.3	19.2	20.1
Duty Solicitor + PDLA	10.9	11.3	11.7	12.3	12.8	13.4
<b>Total before debt recovery</b>	<b>169.7</b>	<b>158.6</b>	<b>135.8</b>	<b>133.8</b>	<b>133.2</b>	<b>133.4</b>
Debt recovery	9.1	10.2	11.2	12.3	13.6	15.1
<b>Total expenditure</b>	<b>160.6</b>	<b>148.4</b>	<b>124.7</b>	<b>121.5</b>	<b>119.6</b>	<b>118.3</b>

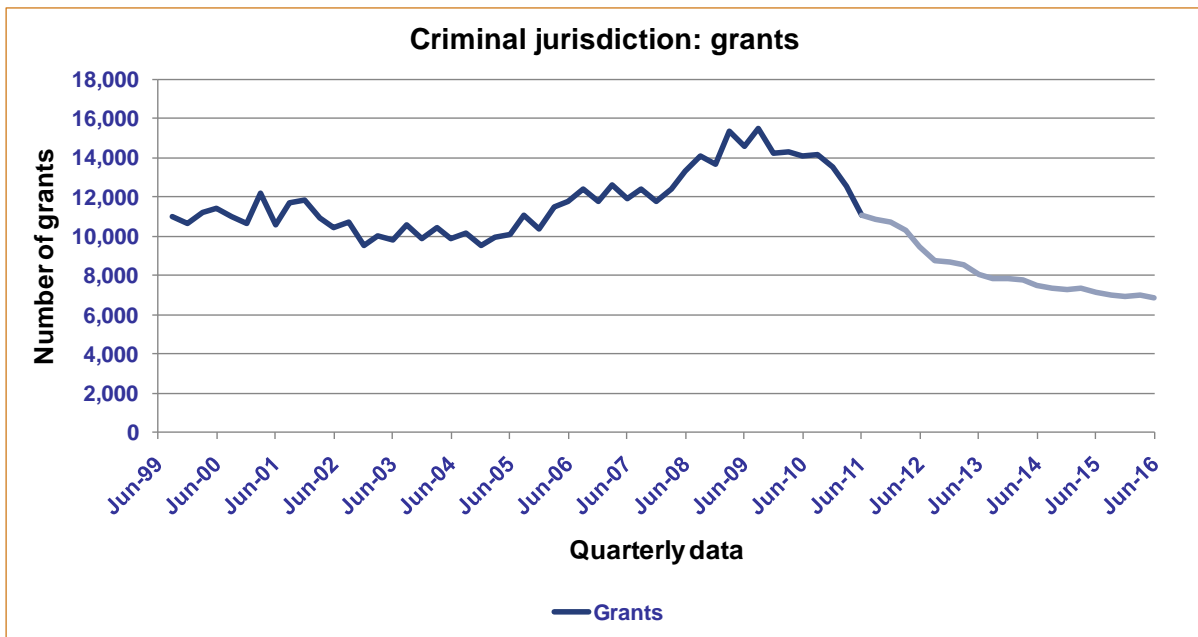
**Figure 30: Legal aid total expenditure**



**Criminal jurisdiction – number of grants**

Figure 31 shows the number of grants in the criminal jurisdiction. Two trends affect the projection to 2016. The numbers of applications and grants will fall along with the falling number of cases expected to enter the court system, while changes to legal aid policy and legislation will further limit the numbers of grants awarded.

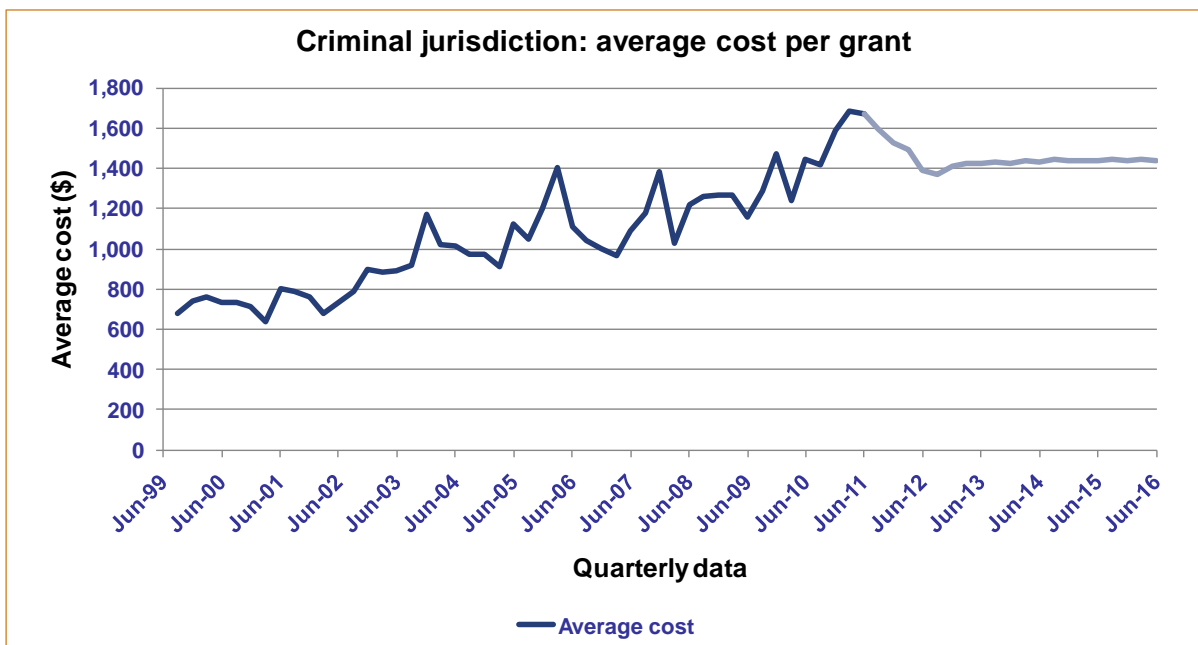
Figure 31: Legal aid grants, criminal jurisdiction



**Criminal jurisdiction – average costs**

Figure 32 shows the average cost of criminal legal aid grants. Changes to legal aid settings will reduce the average cost in the shorter term. In the medium to longer term average cost is expected to start rising again, but at a much lower rate.

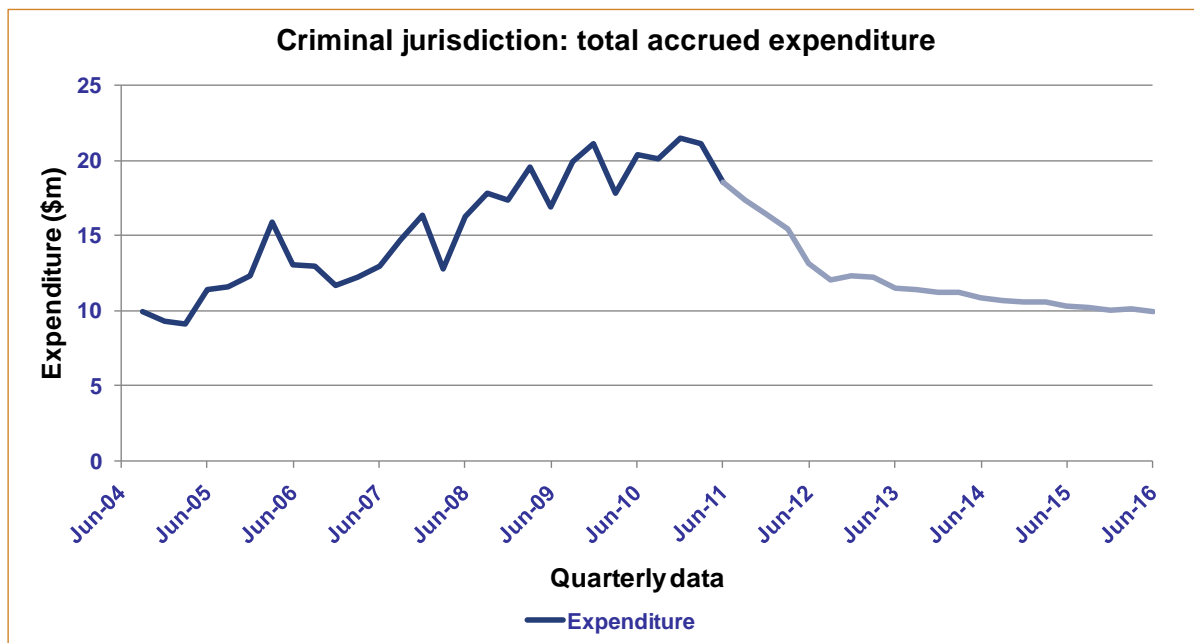
Figure 32: Average cost, criminal jurisdiction



### Criminal jurisdiction – expenditure

Figure 33 shows the total accrued criminal legal aid expenditure. With the average cost no longer increasing as dramatically, total expenditure reflects the fall in the number of grants.

**Figure 33: Expenditure, criminal jurisdiction**

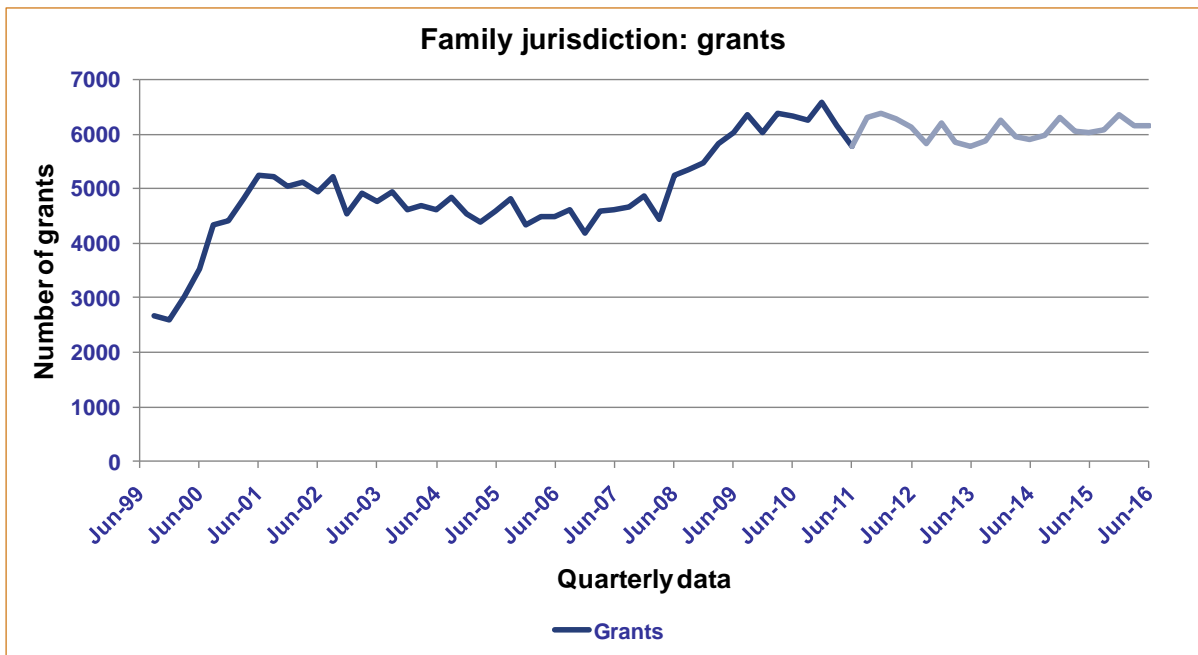


### Family jurisdiction – number of grants

Figure 34 shows the number of grants in the family jurisdiction. Changes in eligibility led to the increase in numbers from late 2007, and proposed changes in legal aid settings are now expected to maintain the number of grants at roughly their current level.



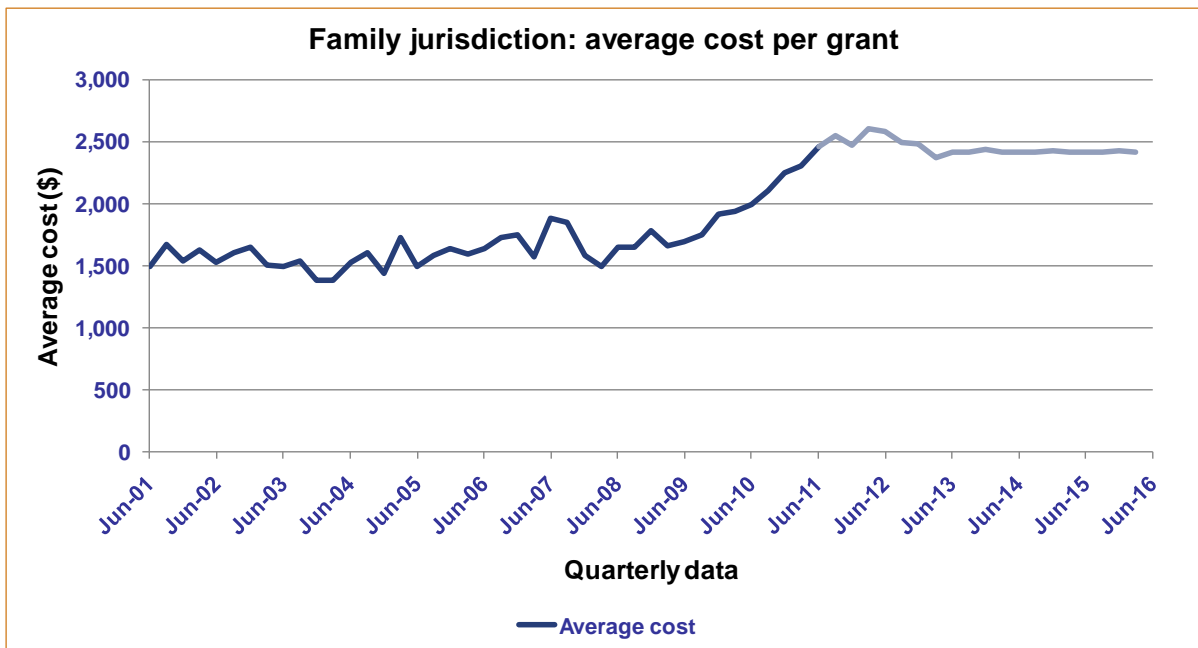
Figure 34: Legal aid grants, family jurisdiction



Family jurisdiction – average costs

Figure 35 shows the average cost of family court legal aid grants. Proposed changes to legal aid settings are expected to maintain what has been a rising average cost at its current level over the forecast period.

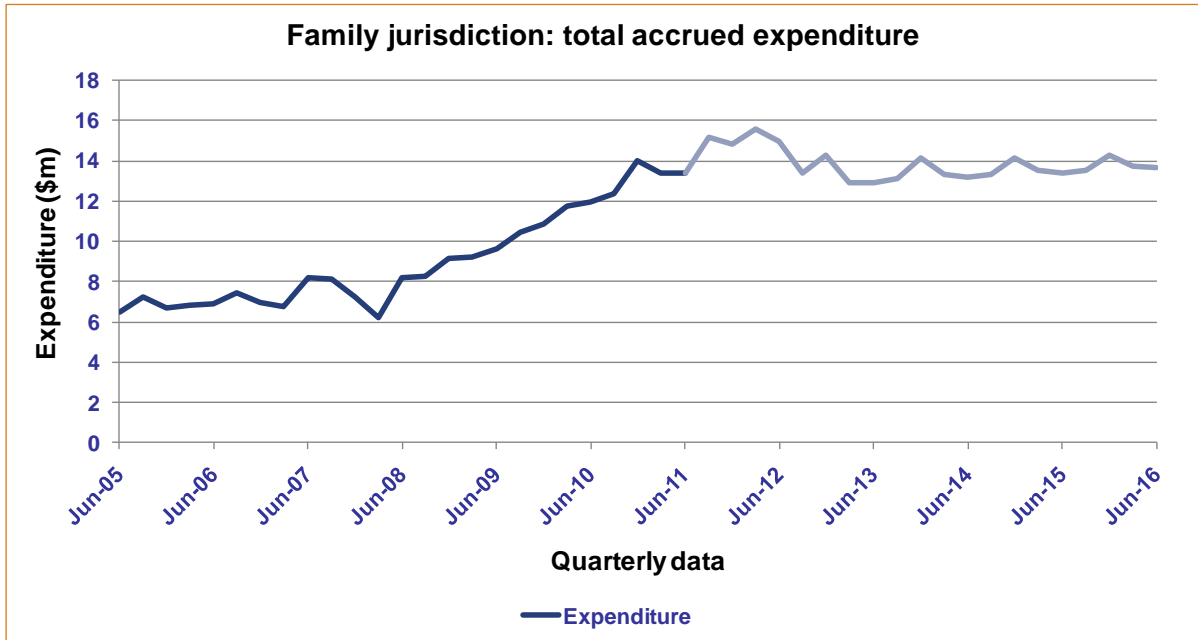
Figure 35: Average cost, family jurisdiction



**Family jurisdiction – expenditure**

Figure 36 shows the total accrued family legal aid expenditure. The fact that both grants and average costs are broadly level means that accrued expenditure is also effectively level.

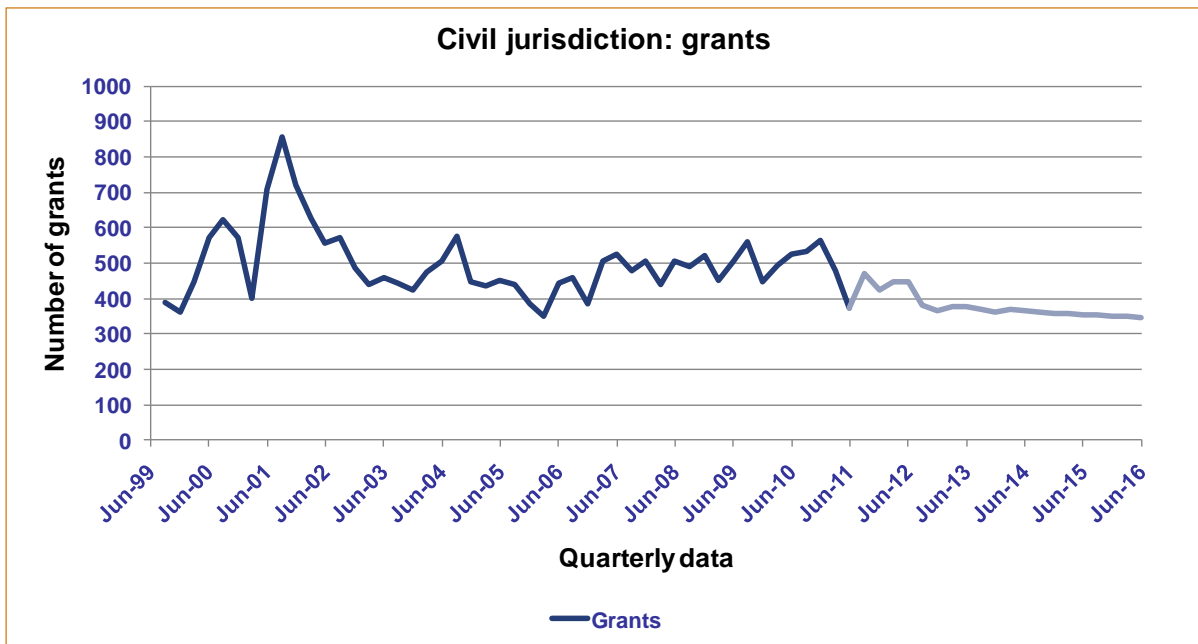
**Figure 36: Expenditure, family jurisdiction**



**Civil jurisdiction – number of grants**

Figure 37 shows the number of grants in the civil jurisdiction. Civil grants have remained largely flat in recent years, and the current proposals for change will lead to a slow decline in their numbers.

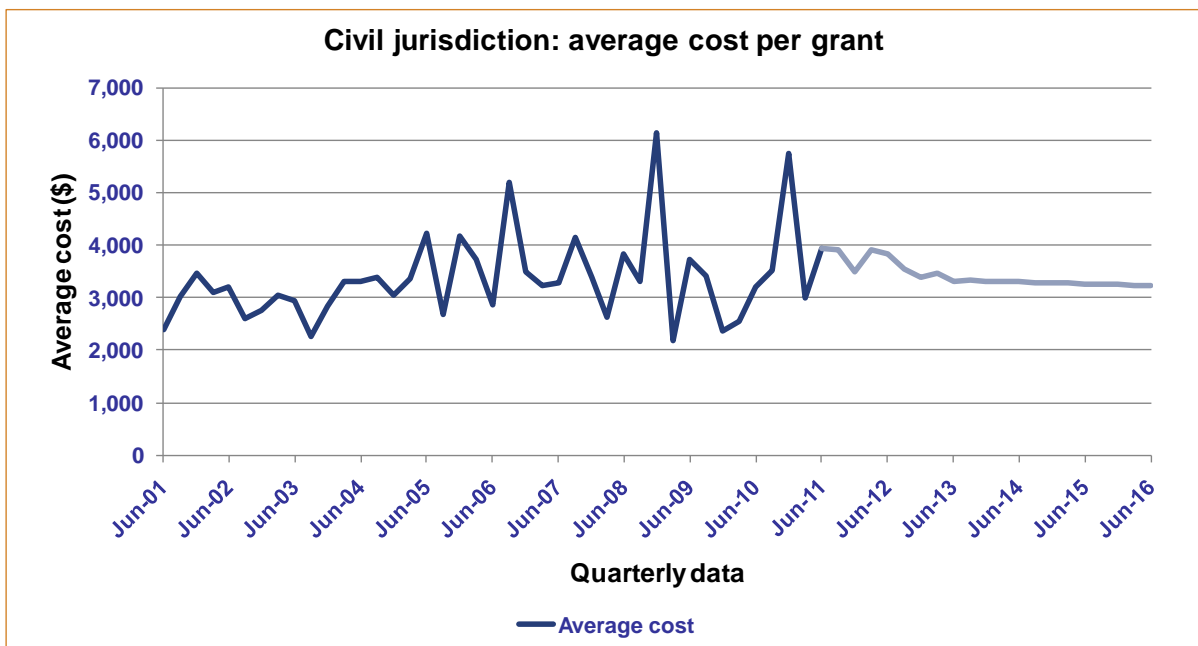
Figure 37: Legal aid grants, civil jurisdiction



**Civil jurisdiction – average costs**

Figure 38 shows the average cost of grants in the civil jurisdiction. This is a noisy series, reflecting the range of cases dealt with in this jurisdiction, but it has been broadly level over time. The changes currently proposed would result in a very slight decline but would not otherwise materially change this trend.

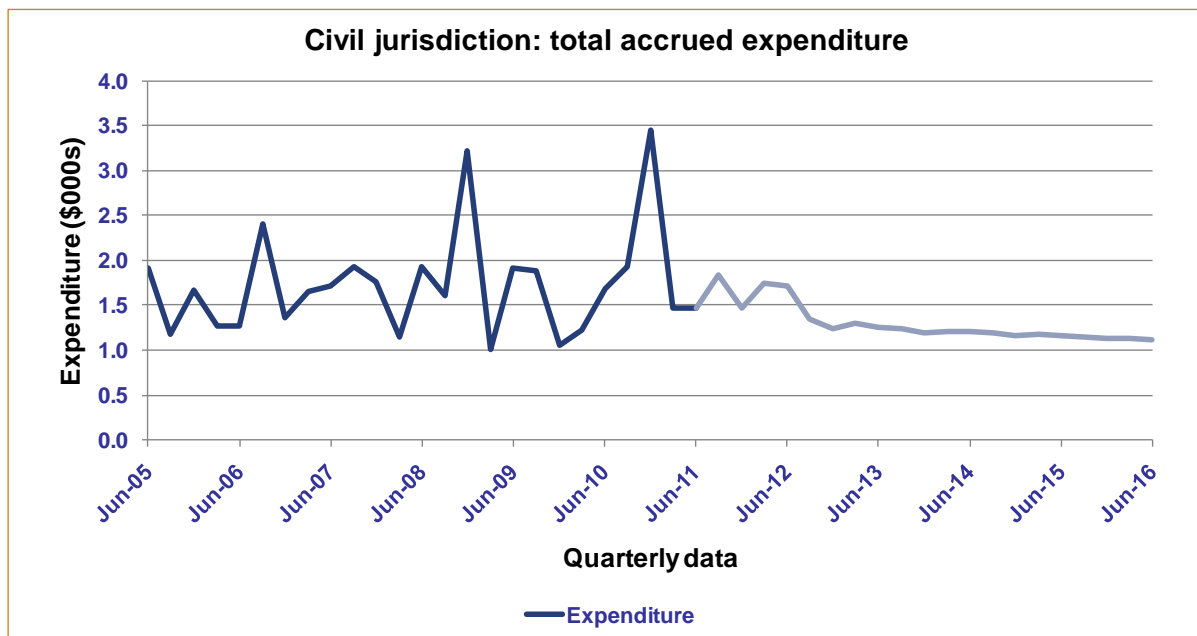
Figure 38: Average cost, civil jurisdiction



**Civil jurisdiction – expenditure**

Figure 39 shows the total accrued civil legal aid expenditure. The product of two slightly declining trends in grants and average costs is another slightly declining trend.

**Figure 39: Expenditure, civil jurisdiction**



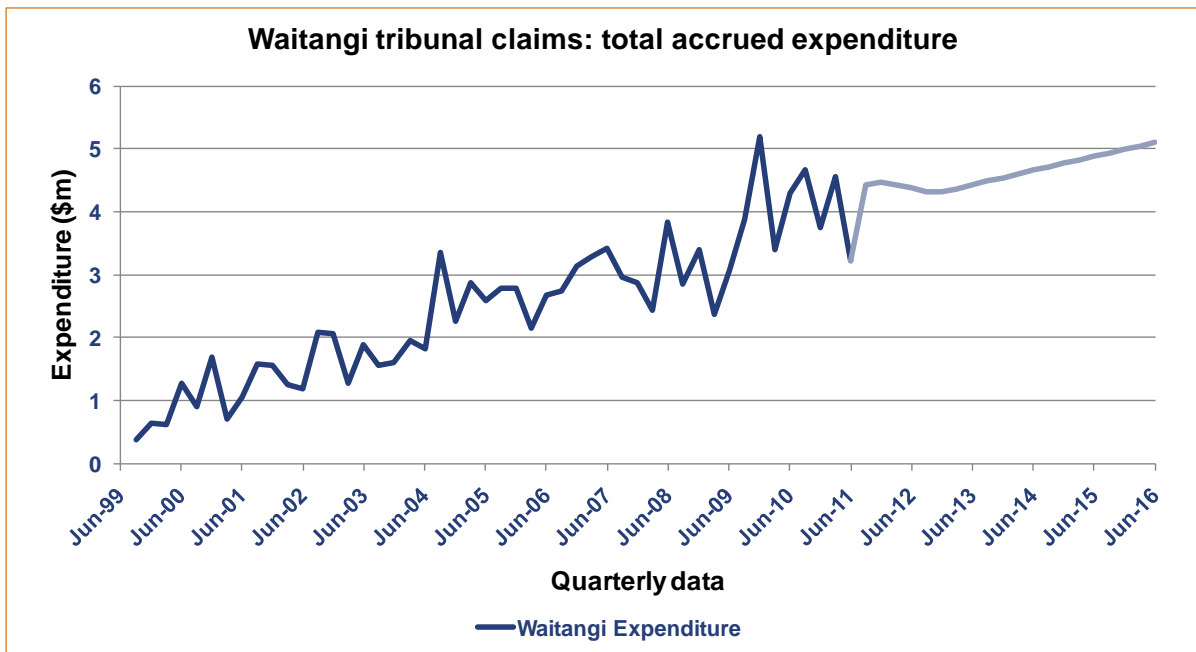
**Other legal aid expenditure**

Remaining legal aid expenditure is forecast in terms of expenditure alone. While grants are made for Waitangi Tribunal cases, they are too few in number for reliable forecasting. The Duty Solicitor and Police Detention Legal Assistance schemes are not grant-based in the same way as the jurisdictions, so only expenditure is forecast.

**Waitangi Tribunal**

Figure 40 shows the current and projected legal aid expenditure on Waitangi Tribunal cases. This is a noisy data series, reflecting the complex underlying process, and the numerous and hard-to-quantify factors that affect it. Nonetheless, there is a broad and consistent increase, which the projection adopts.

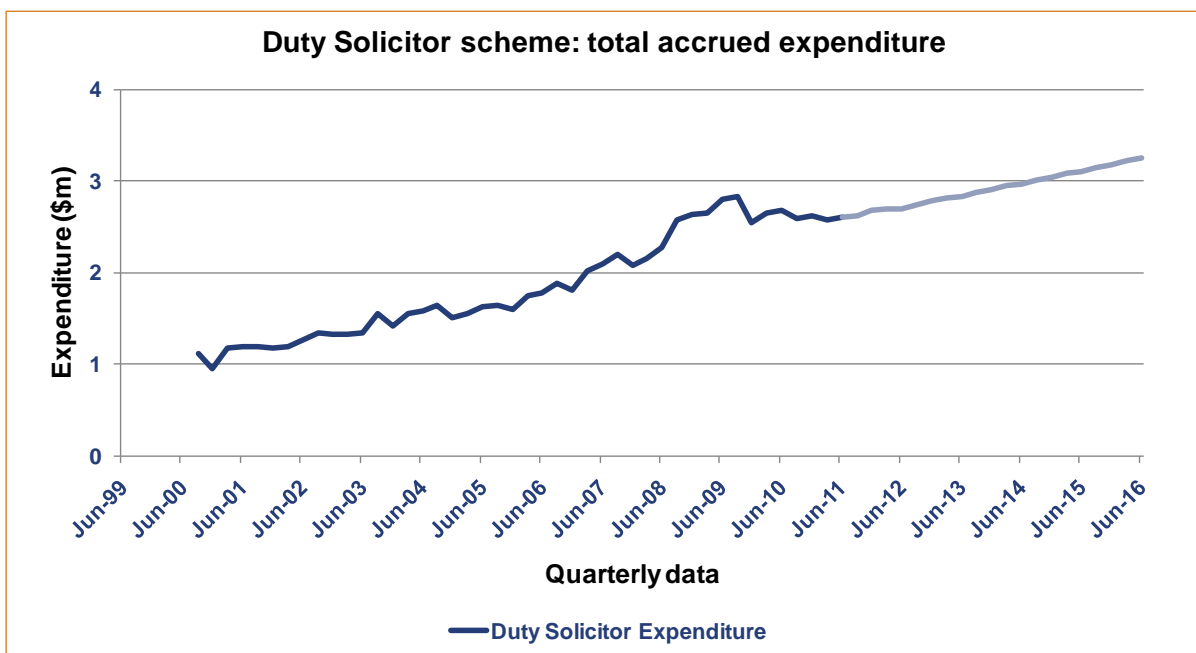
Figure 40: Waitangi Tribunal expenditure



### Duty Solicitor Scheme

Figure 41 shows the current and projected legal aid expenditure on the Duty Solicitor Scheme. This has a long-term upward trend, which is continued in the forecast. While the number of cases entering the system is declining, change in legal aid policy and legislative settings reducing the number of grants in the criminal jurisdiction may lead to greater requirements under this scheme.

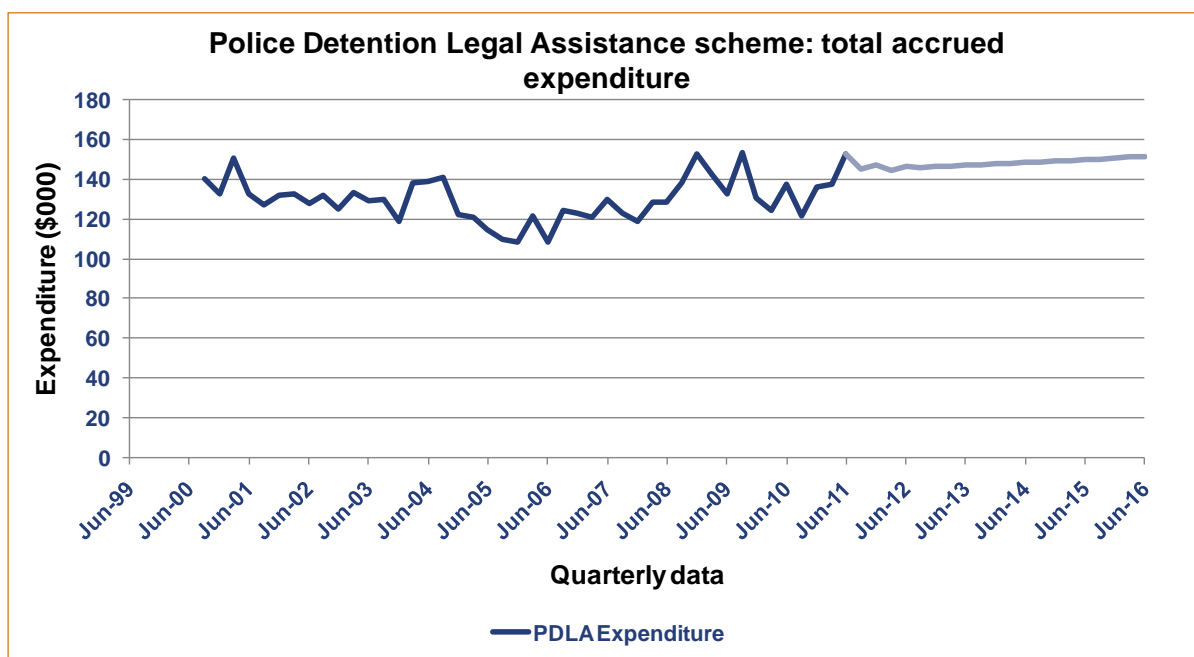
Figure 41: Duty Solicitor Scheme expenditure



**Police Detention Legal Assistance Scheme**

Figure 42 shows the current and projected legal aid expenditure on the Police Detention Legal Assistance Scheme (PDLA). This is the smallest legal aid quantity forecast, and it has shown a slight rising trend in recent years, which the forecast continues. This may also be a scheme drawn upon should grants in the criminal jurisdiction be limited.

**Figure 42: Police Detention Legal Assistance Scheme expenditure**

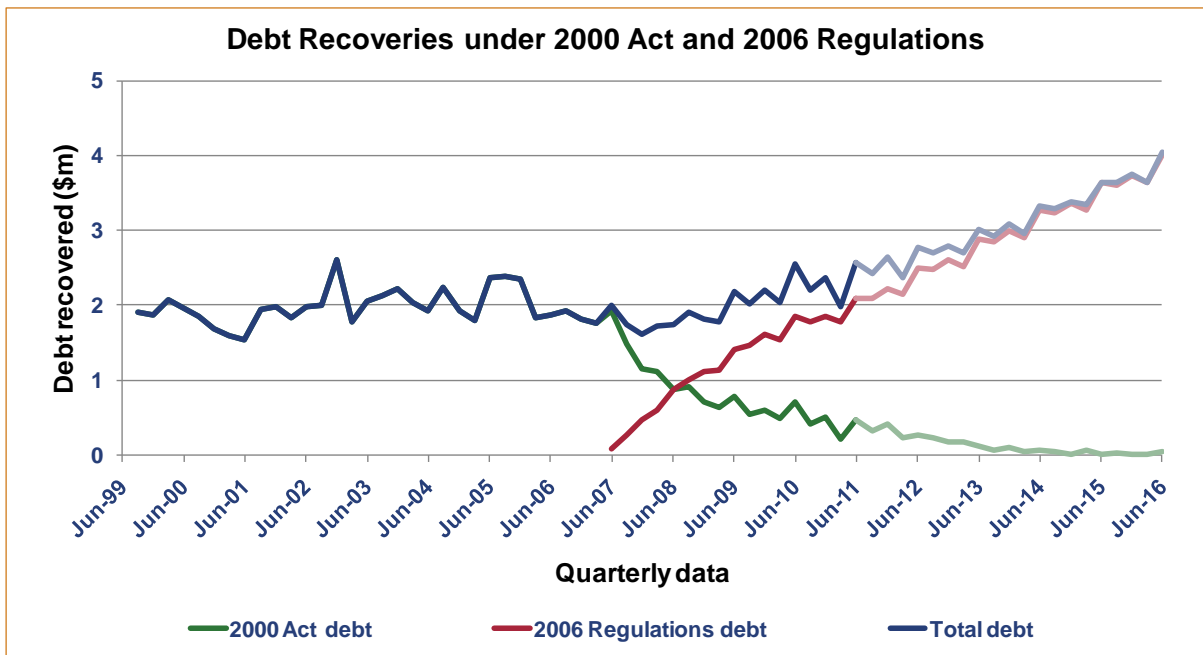


**Debt Recovery**

In some circumstances legal aid is considered to be a loan. That is, people who receive legal aid may have to repay some or all of it, depending on how much they earn and what property they own. In addition, it is not always possible, at the time of awarding a legal aid grant, to be sure of the final cost of the case, and consequently overpayments sometimes occur. Debt recovery figures represent the repayment of loans and the recovery of excess grant amounts. Debt recovery is classified under two items of legislation governing repayment, the Legal Services Act 2000 and the Legal Services Regulations 2006.

Due to the time since the 2000 Act was superseded by the 2006 regulations, the remaining level of outstanding debt under the 2000 Act is small and what exists is increasingly hard to collect. This debt is trending downward effectively to zero by the end of the forecast period. This leaves the 2006 Regulations debt as the principal, and effectively sole, component. As with uncollected fines, the amount potentially to be recovered is enough for the trend not to be directly dependent on cases flowing through the system, but instead dependent on specific debt-collecting policies and operations. Figure 43 shows the projected amounts of debt to be recovered. The largest component of currently recovered debt is from the family jurisdiction, and hence this is the key driver of the projected trend.

Figure 43: Legal Aid debt recoveries



## 5. Scenarios

### 5.1. Overview of scenarios

Scenarios are run to understand how the forecast results would respond to alternative assumptions. Often an assumption has only been adopted after consideration of another possibility, and it is sensible to consider the consequences of that possibility, even if it does not form part of the base case. Each Scenario applies to one specific driver – and thus also acts as a form of sensitivity analysis exploring the potential impact of possible variability in behaviour. The Scenarios cannot be compared directly, nor can their outcomes be simply added to give the effect of one or more Scenarios occurring at the same time.

Table 18 gives a brief outline of each Scenario.

**Table 18: Summary of Scenarios**

Scenario	Driver affected	Scenario compared to base case
1	Numbers entering the system	Greater fall than in base case
2	Numbers entering the system	Fall to 2014-2015 as in base case, thereafter a rise
3	Proportion remanded	Increased proportion remanded
4	Time on remand	Fall in time on remand (base case is no change)
5	Time on remand	Greater fall in time on remand than in Scenario 4
6	Time on remand	Smaller fall in time on remand than in Scenario 4
7	Numbers imprisoned	Fall in numbers going to prison
8	Proportion served	Increase in proportion served (base case is no change)
9	Proportion served	Decrease in proportion served (base case is no change)

The forecast items most affected by the Scenarios are Crown Law inflows and cases on hand, CPS sentences and musters, and the prison population, both remand and sentenced components. Ongoing and proposed changes to legal aid policy and legislative settings mean it is not possible to give an account of the impact of additional Scenarios on legal aid.

### 5.2. Scenario results

#### Scenario 1: Fewer numbers entering the system

Rationale: Policing Excellence is a programme expected to deliver a 19% reduction in prosecutions (based on 2008-2009 figures) by 2014-2015. The programme consists of a number of initiatives, several of which are still being tested. The final impact of the programme may be greater. This Scenario adopts one possible result of police in-house modelling to assess its impact across the rest of the sector.

Base case assumption: The number of charging events will fall 5.8% in 2011-2012, 0.5% in each of 2012-2013, 2013-2014 and 2014-2015, and 1% per annum thereafter.



Scenario assumption: Number of charging events drops a further 6% by 2014-2015, then 1% drop per annum to 2021.

Impact: This Scenario has an impact on Crown Law case inflow and cases on hand, CPS and prison numbers.

**Table 19: Scenario 1 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Case Inflow p.a.	6,784	5,725	5,504	-3.9%	Not forecast to 2021		
Cases on Hand	3,471	3,020	2,954	-2.2%			
CPS Starts p.a.	71,482	73,023	69,896	-4.3%			
CPS Muster	37,540	34,255	32,783	-4.3%			
Remand population	1,867	1,819	1,713	-5.8%	1,729	1,632	-5.6%
Sentenced population	6,841	6,447	6,336	-1.7%	6,436	6,335	-1.6%
Prison population	8,708	8,266	8,049	-2.6%	8,165	7,967	-2.4%

The significant feature of this Scenario is the added impact of Policing Excellence in the years to 2015. For the total prison population, this is shown as a difference between the base case and the Scenario of 2.6% in 2015; the gap does not change greatly by 2021, as the Scenario and base case for the remaining years are the same.

### **Scenario 2: Rise in numbers entering the system due to reoffending**

Rationale: Policing Excellence's earliest stages have seen a greater use of diversion (restoring the practice to levels last seen in the early 2000s) and concern has been raised that this merely defers the entry of offenders into the later stages of the justice system. Thus Policing Excellence could possibly lower numbers entering the court system for a time, but after a while the diverted offenders will reoffend and will have to be dealt with by the courts.

Base case assumption: The number of charging events will fall 5.8% in 2011-2012, 0.5% in each of 2012-2013, 2013-2014 and 2014-2015, and 1% per annum thereafter.

Scenario assumption: The number of charging events will fall 5.8% in 2011-2012, 0.5% in each of 2012-2013, 2013-2014 and 2014-2015, and will *rise* 1% per annum thereafter.

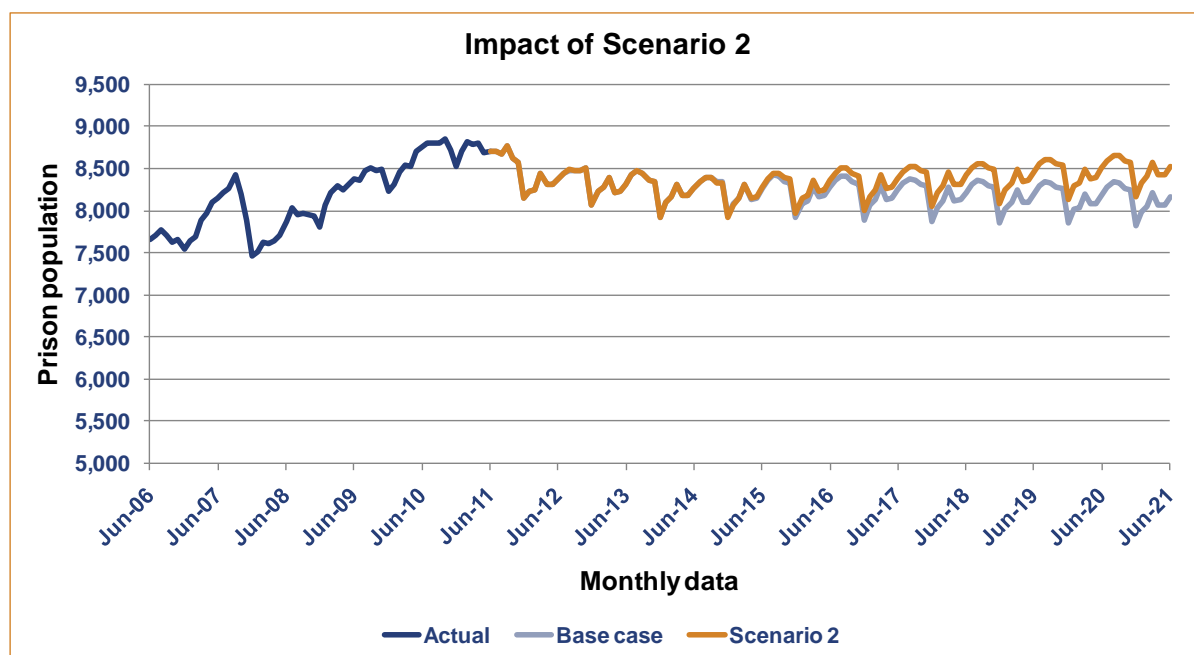
Impact: This Scenario has an impact on prison numbers. Any impact on Crown Law and CPS sentences occurs beyond the timescale of their forecasts.

**Table 20: Scenario 2 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Remand population	1,867	1,819	1,819	0.0%	1,729	1,915	10.8%
Sentenced population	6,841	6,447	6,447	0.0%	6,436	6,618	2.8%
Prison population	8,708	8,266	8,266	0.0%	8,165	8,533	4.5%

Scenario 2 and the base case are the same out to 2015, so the impact on the prison population is the same for both. Thereafter, flows into the system increase again in Scenario 2, and the prison populations increase as well. Even so, the projected 2021 total figure remains 2% below the June 2011 actual value, and well within the confidence intervals shown in Figure 24. Figure 44 shows the scale of the overall impact.

**Figure 44: Impact of Scenario 2 on total prison population**



**Scenario 3: Proportion of offenders remanded increases**

Rationale: Policing Excellence is currently focused on the greater use of diversion, and is thus targeting the lower end of offence severity. The cases involved are likely to be those that would not attract custodial remand were they to come to court. Thus the numbers currently being remanded are likely to continue being remanded as they are not the focus of Policing Excellence, and will not be diverted from the system.

Base case assumption: the proportion remanded in custody will remain level at 7.2% throughout forecast period.

Scenario assumption: Numbers remanded in custody will remain level throughout forecast period.

Impact: This Scenario has an impact on prison numbers. Both remand and sentenced populations are affected because only a proportion of those remanded go on to a custodial sentence.

**Table 21: Scenario 3 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Remand population	1,867	1,819	1,915	5.3%	1,729	1,911	10.5%
Sentenced population	6,841	6,447	6,447	0.0%	6,436	6,618	2.8%
Prison population	8,708	8,266	8,362	1.2%	8,165	8,347	2.2%

#### **Scenarios 4, 5, 6: Impact of Criminal Procedure (Reform and Modernisation) Bill**

Rationale: The CPRAM Bill has not yet been passed. The timing and content of any changes to the justice system as a result of CPRAM are uncertain, and so have been excluded from the forecast. The main impacts of CPRAM on the forecast are expected to be a significant reduction in Crown Law workload (primarily due to a reduction in the number of jury trials) and a reduction in the remand prison population. Note that the CPRAM scenarios consider the effects of the Bill as at 30 June 2011.

Base case assumption: The average time on custodial remand remains constant throughout the forecast horizon.

Scenario 4 assumption: Introduce CPRAM reforms in 2013, reducing Crown Law case inflows and reducing average time on custodial remand by nine days over the 21 month period following March 2013 (level at current value until then, level also thereafter).

Scenario 5 assumption: The average time spent on custodial remand reduces by 13 days over the 21 month period following March 2013 – level at current value until then, level also thereafter.

Scenario 6 assumption: Drop the average time spent on custodial remand reduces by five days over the 21 month period following March 2013 – level at current value until then, level also thereafter.

Impact: These scenarios have an impact on Crown Law and prison numbers. Overall CPS numbers will not be affected, although there may be some small changes in when offenders are sentenced, meaning that there will be some small differences in the change of numbers with time.

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**Table 22: Scenario 4 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Case Inflow p.a.	6,784	5,725	5,229	-8.7%	Not forecast to 2021		
Cases on Hand	3,471	3,020	2,311	-23.5%			
Remand population	1,867	1,819	1,525	-16.2%	1,729	1,450	-16.1%
Sentenced population	6,841	6,447	6,594	2.3%	6,436	6,575	2.2%
Prison population	8,708	8,266	8,119	-1.8%	8,165	8,025	-1.7%

**Table 23: Scenario 5 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Case Inflow p.a.	6,784	5,725	5,229	-8.7%	Not forecast to 2021		
Cases on Hand	3,471	3,020	2,311	-23.5%			
Remand population	1,867	1,819	1,395	-23.3%	1,729	1,236	-23.3%
Sentenced population	6,841	6,447	6,659	3.3%	6,436	6,637	3.1%
Prison population	8,708	8,266	8,054	-2.6%	8,165	7,963	-2.5%

**Table 24: Scenario 6 results**

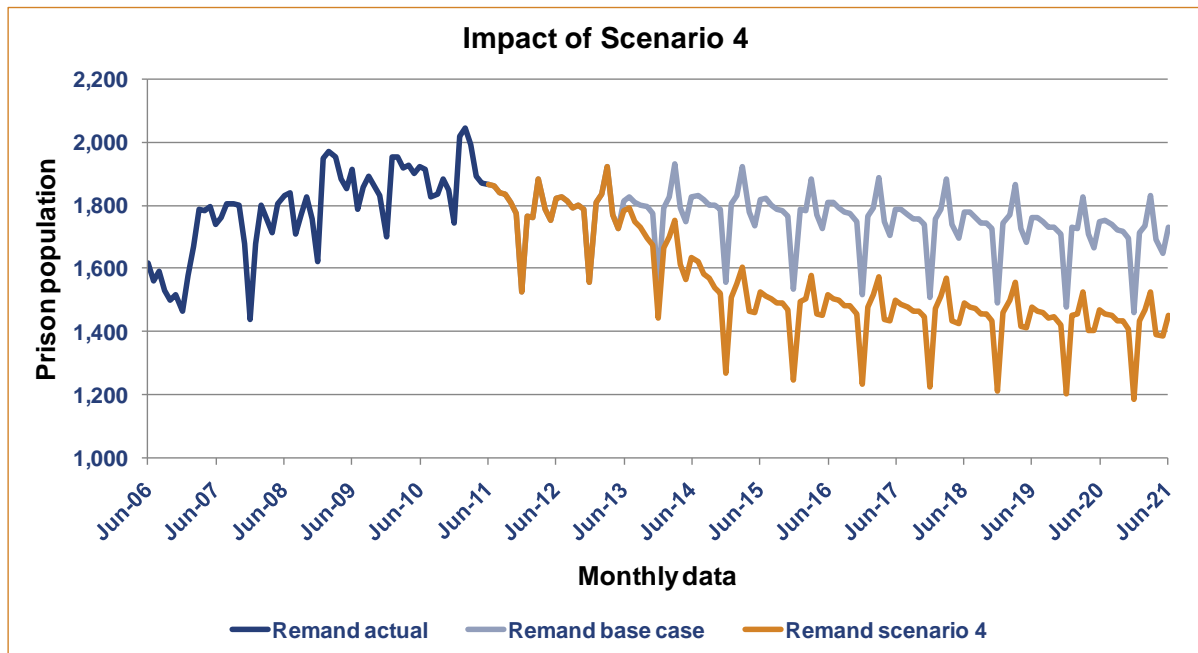
Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Case Inflow p.a.	6,784	5,725	5,229	-8.7%	Not forecast to 2021		
Cases on Hand	3,471	3,020	2,311	-23.5%			
Remand population	1,867	1,819	1,656	-9.0%	1,729	1,574	-9.0%
Sentenced population	6,841	6,447	6,529	1.3%	6,436	6,513	1.2%
Prison population	8,708	8,266	8,185	-1.0%	8,165	8,087	-1.0%

Crown Law case inflows and cases on hand drop substantially whichever CPRAM Scenario is chosen. This is because Crown Law cases are affected by procedural changes that alter the flow of cases through the system, and these changes are common to all CPRAM Scenarios.

Outside Crown Law, the principal impact of CPRAM is on the remand population, which drops much further by 2015 as a result of the shortening of the time taken to process cases. As in the main forecast, we have allowed for the fact that a proportion of remanded defendants go on to get custodial sentences, and adjusted the sentenced population upwards (shortening the remand period for these offenders simply means they spend longer as sentenced prisoners and thus add to the sentenced population). The overall effect on the total population is downwards, but relatively small, and is complete by 2015 – the numerical differences between the base case and Scenarios are almost the same in 2021 as in 2015.

Figure 45 shows the drop in the remand numbers, and the timescale over which it occurs once CPRAM starts to have an effect. Graphs are not given for Scenarios 5 and 6, as the broad pattern is the same. In Scenario 5 the drop is larger, and in Scenario 6 it is smaller, but the timescale is the same in all three. The fall of about 300 beds seen in Scenario 4 is offset by the fact that a number of these offenders simply spend longer as sentenced prisoners, thereby increasing the sentenced population by about 150. The impact on the total population is therefore a fall of about 150 beds.

**Figure 45: Impact of Scenario 4 on remand population**



### Scenario 7: Impact of reduced recidivism on prison population

Rationale: The Department of Corrections has a goal of reducing recidivism. This Scenario reduces the number of offenders who return to prison within a specified timeframe.

Base case assumption: Currently 28% of prison starts supervised by Corrections are due to offenders who have also been subject to a prison sentence within the previous 12 months. The figure for CPS sentences is 32%. In addition, 6% of CPS starts are imprisoned within 12 months.

Scenario assumption: This scenario reduces the recidivism rates by 10% (e.g. 28% becomes 25.2% - the reduction is 10% of 28%, which is 2.8%).

Impact: A reduction of about 400 prison beds by the second year after implementation, and a reduction of about 3,000 starts on community sentences by the third year after implementation. The majority of both impacts occurs in the first year.

It is necessary to make some further simplifying assumptions to address this Scenario. The most significant is that we assume that these offenders completely desist from offending after the Department of Corrections' intervention. This limits the interaction between the community and prison musters, and also means we do not project any impact on fines. It is a reasonable

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assumption because most re-offenders with a prison or CPS record will find it difficult to avoid a subsequent sentence at a similar or more serious level, unless the later offending is very minor.

We also assume that the prison sentences 'saved' by this intervention are of average imposed length, and that the initiative to reduce recidivism affects first-time inmates and existing recidivists equally.

### Scenarios 8 and 9: Different proportion of sentence served

Rationale: This remains quite a volatile quantity, and it is valuable to have some indication of the consequences of its variability.

Base case assumption: Proportion served (including remand) constant at about 72%.

Scenario 8 assumption: Proportion served (including remand) constant at about 70%.

Scenario 9 assumption: Proportion served (including remand) constant at about 74%.

Impact: This Scenario impacts only the sentenced population. The tables continue to show remand numbers to give an indication of the impact on the full prison population.

In Scenario 8, a reduction in the proportion served comes through as a reduction in sentenced population numbers. The change takes place over a number of years before settling at a more or less constant effect, therefore the numerical difference between base case and Scenario 8 (a decrease of around 150 beds) is not much greater in 2021 than it is in 2015.

**Table 25: Scenario 8 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Remand population	1,867	1,819	1,819	0.0%	1,729	1,729	0.0%
Sentenced population	6,841	6,447	6,334	-1.8%	6,436	6,292	-2.2%
Prison population	8,708	8,266	8,153	-1.4%	8,165	8,021	-1.8%

Scenario 9 is the mirror image of Scenario 8 – a 2% increase in proportion served instead of a 2% decrease. The impact is therefore also the mirror image of that in Scenario 8 – an increase of around 150 beds most of which has occurred by 2015.

**Table 26: Scenario 9 results**

Forecast quantity	June 2011	June 2015			June 2021		
		Base Case	Scenario	Change	Base Case	Scenario	Change
Remand population	1,867	1,819	1,819	0.0%	1,729	1,729	0.0%
Sentenced population	6,841	6,447	6,567	1.9%	6,436	6,587	2.3%
Prison population	8,708	8,266	8,386	1.5%	8,165	8,316	1.8%

Figure 46 shows the symmetric behaviour of these two assumptions, as well as the extent to which the forecast is dependent on how accurately we can predict the proportion served. The  $\pm 2\%$  modelled translates to around 150 beds either way. The proportion served by an offender given a sentence of greater than two years is governed by Parole Board decisions. The Board considers each decision on the merits of the individual case (so that Corrections rehabilitation programmes are important), but is also swayed by exogenous factors (such as the behaviour of previously paroled offenders who have been reincarcerated).

**Figure 46: Impact of Scenarios 8 and 9 on total prison population**

