

Spring 2014



## Report of the Auditor General of Canada

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### CHAPTER 4

Expanding the Capacity of Penitentiaries—  
Correctional Service Canada



Office of the Auditor General of Canada

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OAG

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## **CHAPTER 4**

### **Expanding the Capacity of Penitentiaries— Correctional Service Canada**

## Performance audit reports

This report presents the results of a performance audit conducted by the Office of the Auditor General of Canada under the authority of the *Auditor General Act*.

A performance audit is an independent, objective, and systematic assessment of how well government is managing its activities, responsibilities, and resources. Audit topics are selected based on their significance. While the Office may comment on policy implementation in a performance audit, it does not comment on the merits of a policy.

Performance audits are planned, performed, and reported in accordance with professional auditing standards and Office policies. They are conducted by qualified auditors who

- establish audit objectives and criteria for the assessment of performance,
- gather the evidence necessary to assess performance against the criteria,
- report both positive and negative findings,
- conclude against the established audit objectives, and
- make recommendations for improvement when there are significant differences between criteria and assessed performance.

Performance audits contribute to a public service that is ethical and effective and a government that is accountable to Parliament and Canadians.

# Table of Contents

<b>Introduction</b>	<b>1</b>
Focus of the audit	2
<b>Observations and Recommendations</b>	<b>2</b>
<b>Expanding institutional capacity</b>	<b>2</b>
Overall, short-term accommodation needs are being met	3
Some regional overcrowding remains	4
About half of CSC's institutions operated at or above their rated capacities	6
Expansions did not include space for segregation or health care	8
<b>Costs to operate expanded institutions</b>	<b>9</b>
Institutions were expanded without complete planning information	9
Cost savings by closing penitentiaries are less than announced	11
Capacity pressures limit the movement of offenders	12
<b>Conclusion</b>	<b>15</b>
<b>About the Audit</b>	<b>17</b>
<b>Appendix</b>	
List of recommendations	19



## Introduction

**4.1** Correctional Service Canada (CSC) is responsible for the safe and secure custody of offenders sentenced by the courts to terms of imprisonment of two years or more. CSC is also responsible for preparing offenders for safe reintegration into the community upon release. In the 2012–13 fiscal year, CSC spent about \$2 billion—or 82 percent of its operating expenses—on the custody of offenders and on programs for their rehabilitation. These expenditures have grown by 17 percent in the past five years, driven in part by a rising offender population. In March 2013, CSC held 15,224 offenders in 57 federal penitentiaries across Canada. Another 7,700 offenders were under community supervision, some of whom were accommodated at CSC community facilities.

**4.2** CSC operates penitentiaries in five regions: Pacific, Prairie, Ontario, Quebec, and Atlantic. Each region has a mix of penitentiaries of varying security levels (maximum, medium, and minimum), as well as institutions for women, and specialized units for the assessment of offenders upon intake and for mental health services. CSC also operates Aboriginal healing lodges in two regions.

**4.3** CSC aims to provide offenders with single-cell accommodations. Double bunking, which is the practice of holding two offenders in a cell designed for one, is to be used only as a temporary measure. Beds are also maintained in community facilities for offenders who have been released, but who require accommodations because of their type of release or due to conditions imposed by the Parole Board of Canada. In addition, CSC partners with about 200 other organizations that provide accommodations for offenders in communities across Canada.

**4.4** Many of Canada's penitentiaries were built in the 1960s and 1970s. In 2007, an independent review commissioned by the Minister of Public Safety examined the operation of Canada's penitentiaries, the issues related to aging infrastructure, and the costs of maintaining them. The review found that many penitentiaries were inadequate for managing offender populations and recommended that the older and less efficient ones be replaced with new institutions.

**4.5** In 2009, CSC anticipated that changes in criminal justice legislation would result in longer sentences for many offenders, leading to an increased offender population. These legislative changes, enacted since 2008, included mandatory minimum sentences, the elimination of accelerated parole review, and limits on the credit given for pre-sentence custody. CSC analysis found that it did not have

sufficient space to accommodate the expected increases without a risk of overcrowding in its institutions.

**4.6** In October 2009, CSC received approval to spend \$751 million over five years to expand existing institutions by installing 2,594 double bunks and adding 2,752 new cells. CSC also received approval in principle to construct five new penitentiaries at a cost of \$960 million, pending the development of a long-term accommodation plan.

**4.7** In April 2012, the government announced the closure of three institutions to save operating costs as part of its deficit reduction action plan, and that it did not intend to build new ones. In July of that year, the government also announced that planned new institutions would not be built because CSC had recognized that its offender population had not grown as much as expected. CSC consequently returned \$1.48 billion earmarked for the construction, which included funding for operations that had been set aside for growth in the offender population that did not occur.

#### **Focus of the audit**

**4.8** The objective of the audit was to determine whether CSC had increased the capacity of its correctional facilities in a manner that met its needs and was cost-effective. We examined CSC's method for estimating the increased offender population and its expansion plans. The audit covered the period between April 2010 and September 2013. More details about the audit objectives, scope, approach, and criteria are in **About the Audit** at the end of this chapter.

## **Observations and Recommendations**

### **Expanding institutional capacity**

**4.9** Correctional Service Canada (CSC) must ensure that it has enough cells available for all the offenders in its custody. The number of cells in operation can vary as new cells are brought into service and others undergo repairs or maintenance. The number of offenders can also fluctuate depending on how many are admitted into custody after sentencing or revocation of release, transferred between penitentiaries, or released into the community.

**4.10** In 2009, CSC estimated a significant and rapid increase in the number of offenders who would be held in federal custody, largely due to changes in sentencing legislation. It estimated that the total offender population would rise from about 14,200 in 2009 to



about 18,450 by March 2013, an increase of about 30 percent, requiring CSC to act quickly to ensure that there would be accommodations available for the 4,250 additional offenders.

### Overall, short-term accommodation needs are being met

**4.11** We examined whether CSC had defined its accommodation needs in order to ensure that it had enough capacity for all the offenders in its custody. By 2012, CSC found that its original estimates of the offender population were overstated: after new sentencing legislation came into force, offender populations were not increasing as much as expected. Therefore, CSC updated its forecast to project a more modest population growth—to about 15,270 by March 2013. We found that these new estimates were consistent with the observed March 2013 offender population, when CSC was holding about 15,224 offenders across Canada.

**4.12** We also examined whether CSC had sufficient capacity to provide safe and secure custody of offenders with the expansions to its institutions underway. CSC has generally maintained more cells in operation than it has offenders in custody. This surplus allows for repairs and maintenance and enables the separation of incompatible groups, for the safety and security of both offenders and staff. We found that the number of unoccupied cells has decreased significantly over the past three years. By early 2013, there were more offenders in custody than the number of available single cells (Exhibit 4.1). This has resulted in capacity shortfalls at some institutions and at some security levels, necessitating double bunking.

**Exhibit 4.1** In March 2013, CSC had more offenders in custody than single cells available

Security level	Number of institutions**	Available cells	Offender population (observed as of March 2013)
Men–Maximum	7	2,389	1,945
Men–Medium	19	7,500	7,993
Men–Minimum	16	2,553	2,719
Men–Specialized units*	9	1,713	1,964
Women–Multi-level	6	652	603
<b>Total</b>	<b>57</b>	<b>14,807</b>	<b>15,224</b>

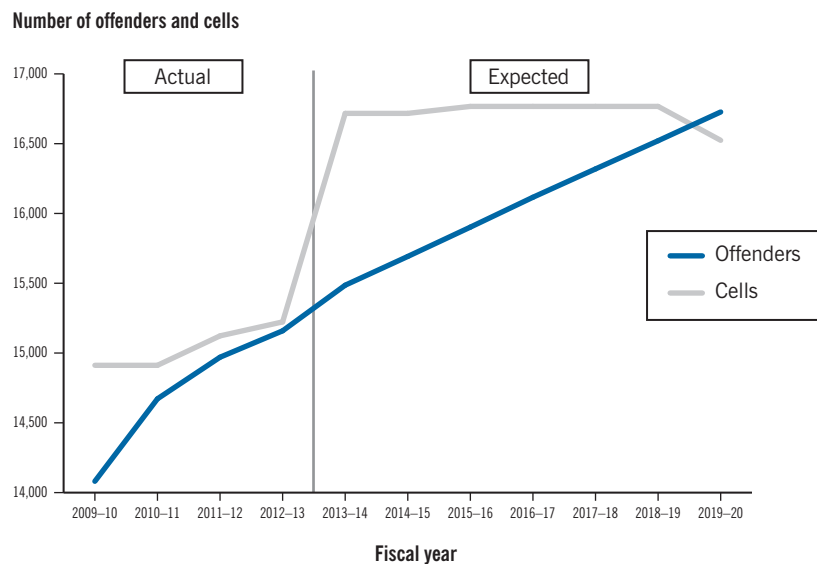
\*Specialized units include institutions with multiple levels of security and facilities for intake assessment and mental health.

\*\*The number of institutions does not include community-based healing lodges.

Source: Correctional Service Canada

**4.13** By October 2013, CSC had added 1,988 double bunks and completed construction of 530 new cells. At the time of the audit, CSC expected to have 2,120 new cells completed by March 2014 and the remaining construction finished the following fiscal year. The completed construction will enable CSC to accommodate up to 16,700 offenders in single cells. However, we found that CSC's updated population projection shows that it will again be at or over capacity within a few years of completing construction (Exhibit 4.2). We asked CSC officials for plans to address this projected accommodation shortfall, but were informed that none had yet been finalized. At the time of the audit, CSC was re-assessing its forecasting assumptions for offender population projections and developing a post-2018 accommodation strategy.

**Exhibit 4.2** Expected capacity pressures are being addressed in the short-term



Source: OAG analysis of data provided by Correctional Service Canada

### Some regional overcrowding remains

**4.14** We examined whether regional expansion plans were consistent with accommodation requirements and expected offender populations. We asked senior CSC officials for the details supporting their decisions on which institutions to expand, such as assessments of the ages and conditions of the facilities, existing capacity pressures, and the long-term effects of these decisions. The officials were not able to provide us with these details and informed us that the primary factor for determining which penitentiaries to expand was the availability of

land within the secure perimeters of existing institutions, where new accommodations could be built quickly.

**4.15** As a result, we found that the expansions were not proportionate to the expected regional increases in offender populations. CSC had planned to increase capacity in its regions by 350 cells to 750 depending upon the region, although it expected that offender populations in the Ontario and the Prairie regions would increase by much more. In September 2010, CSC adjusted its plans to better match regional distributions, but, even with that adjustment, CSC expects that the expansions will not resolve capacity shortfalls in those two regions where half of all offenders are in custody.

**Rated capacity**—The number of standard cells that may be used to accommodate the offender population within a penitentiary. It does not include specialty cells such as segregation, medical, or observation cells. Nor does it include double bunks that are added to standard cells because these are considered temporary.

**4.16** Every CSC penitentiary has a **rated capacity**, which is generally equal to the number of single cells in operation. We found that about half of the institutions in the Ontario and Prairie regions were operating at or above their rated capacities over the three years we examined (2010–11 to 2012–13). Institutions in the Atlantic and Quebec regions were at or exceeding their rated capacities by 2013. Most institutions in the Pacific region remained below capacity. Even after the construction of new accommodations, the estimated offender populations in the Ontario and Prairie regions will be greater than available capacities.

**4.17** CSC is relying on double bunking to meet accommodation requirements in some institutions. CSC policy states that double bunking is a temporary measure that normally should only occur in approved areas, and normally should not exceed 20 percent of the in-custody population. We found that 26 percent of offenders were being double bunked in the Ontario and Prairie regions in the 2012–13 fiscal year. That same year, we also found that double bunking was occurring in segregation cells and in cells smaller than 5 square meters, which is contrary to the intent of CSC policy. Even after the construction is completed, CSC officials expect double bunking to continue.

**4.18** Since January 2013, to alleviate overcrowding, CSC increased its transfers of offenders from Ontario and Prairie penitentiaries to those in the Pacific and Atlantic regions where space was available. We found that this has caused an increase in operational costs. In the 2010–11 fiscal year, CSC had transferred 529 offenders at a cost of \$1.5 million. During the first nine months of 2013, costs had risen to \$3.4 million to transfer 908 offenders. CSC officials expect that the long-distance relocation of offenders, and the associated costs, will continue after the expansion of facilities is completed.

### About half of CSC's institutions operated at or above their rated capacities

**4.19** In 2009, CSC planned most of its expansions for higher security levels because it wanted to minimize overcrowding in these institutions. At that time, CSC identified serious implications with double bunking, including increased levels of tension, aggression, and violence. It also identified increased safety and security concerns for staff and offenders, especially at maximum and medium security penitentiaries. Sixty-three percent of new cells were constructed for maximum and medium security levels, 25 percent for minimum security levels, and 7 percent for mental health facilities. The remaining cell expansions were for women's institutions, mainly at minimum security.

**4.20** Penitentiaries operate above their rated capacities when they have more offenders in custody than single cells available, which necessitates double bunking. CSC aims to operate such that actual offender numbers in its men's maximum security institutions are not more than 90 percent of rated capacity, and not more than 95 percent in medium security institutions. This practice allows CSC the flexibility it needs for repairs, enables the separation of incompatible groups, and ensures the safety of staff as well as offenders.

**4.21** We examined whether CSC had sufficient capacity to ensure safe and secure custody of offenders at each security level. We analyzed data provided by CSC for three fiscal years (2010–11 to 2012–13), to compare the number of offenders in custody with the rated capacities of penitentiaries at each security level and region. In the 2012–13 fiscal year and over the three years examined, we found that about half of CSC's institutions were consistently running at or exceeding their rated capacities (Exhibit 4.3).

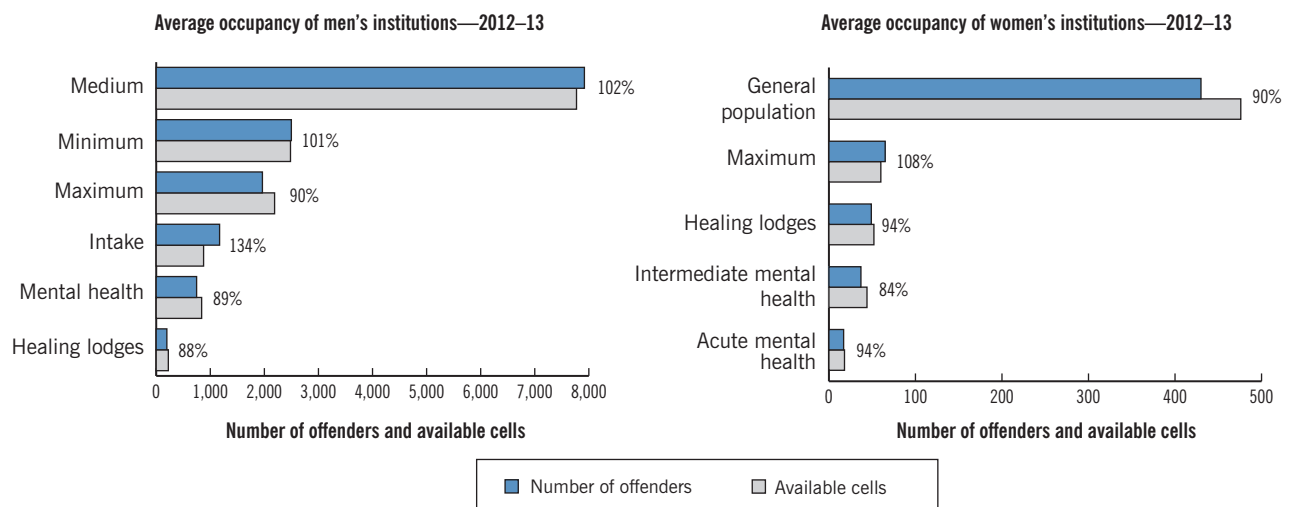
**4.22** When completed, the expansions are expected to provide accommodations to meet projected offender populations by security level, with the exception of mental health facilities, intake units, and women's maximum security levels:

- **Minimum security institutions:** We found that the minimum security institutions for men operated at an average of 101 percent of rated capacity. CSC expects that, by the end of construction in March 2015, minimum security institutions will operate at 90 percent of rated capacity, on average.
- **Medium security institutions:** We found that the medium security institutions for men operated at an average of 102 percent of rated capacity, which is above the recommended operating limit

of 95 percent. CSC expects that, by the end of construction, medium security institutions will operate at 91 percent of rated capacity, on average.

- **Maximum security institutions:** We found that the maximum security institutions for men operated at 90 percent of rated capacity, which is the recommended operating limit. CSC expects that, by the end of construction, maximum security institutions will operate at 88 percent of rated capacity, on average.
- **Women’s institutions:** We found that capacity pressures in women’s institutions were highest at the maximum security levels, which averaged 108 percent of rated capacity. CSC expects that, by the end of construction, capacity pressures will continue at the maximum security level, and other levels will operate at 83 percent of rated capacity, on average.
- **Intake units:** Intake units assess male offenders upon admission for the correctional interventions they need and to determine which security level they require. We found that these units operated at 134 percent of rated capacity, which means that many offenders were double bunked while being assessed. CSC expects that by March 2015, intake units will operate at 155 percent of rated capacity, on average, because capacity was not increased.

**Exhibit 4.3** Average occupancy levels (2012–13) indicate overcrowded conditions at some levels



Source: OAG analysis of data provided by Correctional Service Canada, 2013

**Expansions did not include space for segregation or health care**

**4.23** In addition to single cells, several types of spaces are required to support the normal operations of penitentiaries and effective rehabilitation of offenders. These include segregation cells, health care space, and correctional programming space. We looked at CSC requirements for these spaces and examined whether they had been taken into account in the planned expansions.

**4.24 Segregation cells.** Segregation cells are used to separate offenders from the rest of the population for security and safety reasons. CSC accommodation guidelines call for segregation cells to be between 2.5 and 5 percent of an institution's rated capacity. We examined whether CSC followed its guidelines and found that CSC did not include additional segregation cells when it expanded the capacity of its institutions. As a result, three expanded institutions will not meet the minimum CSC accommodation guidelines of having 2.5 percent of their cells for segregation once construction is completed.

**4.25 Health care space.** Penitentiaries must provide essential health care for offenders, such as patient rooms, nursing stations, and storage for medication. We examined whether CSC's expansions included health care space in a way that was consistent with its guidelines. We found that CSC does not have up-to-date guidelines for determining how much health care space is needed in penitentiaries relative to capacity and populations. During construction, CSC officials identified requirements for improvements to health care facilities at 21 of the 37 institutions being expanded, but we noted that no additions to health care facilities were included in the expansions.

**4.26 Correctional programming space.** Common areas and rooms within penitentiaries are used to deliver various correctional programs, such as violence prevention, addressing substance abuse, and sex offender programs. We examined whether programming space met CSC requirements with the increase in the capacity at institutions. We found that CSC does not have guidelines for determining the amount of space needed for delivering correctional programs, but noted that 33 of the 37 planned expansions included the addition of more space for programs. We found that CSC has continued to deliver its correctional programs during construction and with increases in the offender population.

**4.27 Recommendation.** Correctional Service Canada should update its accommodations guidelines to define the requirements for specialized spaces that support the operation of its penitentiaries based on their rated capacities.

**The Agency's response.** Agreed. Correctional Service Canada (CSC) is fully committed to further refining its accommodation guidelines by March 31, 2015.

It has recently updated its Technical Criteria for its correctional penitentiaries for men. The criteria define site, building performance, and design guidelines, which are specific to the needs of correctional penitentiaries. CSC is also in the process of completing the construction of several generic buildings as part of its expansion that includes specialized spaces to address the site-specific operational needs.

In addition, it is performing a review of its accommodation guidelines. As part of this process, it is conducting an analysis of operational requirements for specialized spaces across its penitentiaries with a view to creating a nationally consistent approach for any new construction as well as prioritizing future capital investments.

### Costs to operate expanded institutions

**4.28** The principal aim of Correctional Service Canada's (CSC) plan to expand institutions was to increase rated capacities in response to an expected increase in offender populations. However, the implementation of this plan coincided with a period of rapid change, which included lower than expected population growth, as well as government decisions to close three aging penitentiaries and not to proceed with the construction of five new institutions. Both the original plan and the subsequent changes had implications for the short-term and ongoing costs of operating these facilities and for the rehabilitation of offenders.

#### **Institutions were expanded without complete planning information**

**4.29** We examined the steps CSC had taken to manage its existing infrastructure and to make decisions on how to expand. In 2009, when CSC was granted approval to expand its facilities, the cell additions were a short-term measure until such time as new facilities were constructed. CSC was to complete a long-term accommodation plan that would provide a cost-effective solution for satisfying accommodation and physical infrastructure requirements. At that time, CSC drafted a long-term accommodation strategy and had identified 20 institutions as priorities for decommissioning as new ones

were built. The strategy, however, was not completed or approved. CSC officials explained that work to modernize institutions was put on hold to focus on expansion. We found that eight of the 20 institutions initially identified for decommissioning were instead expanded.

**4.30** The supporting infrastructure of each institution (such as water, sewer, and utilities) was designed so that it could meet the needs of its rated capacity plus 25 percent, without causing significant strain. CSC technical standards state that any expansions should be reviewed to ensure that existing infrastructure will be adequate. We found that the current expansions have increased the rated capacity for 26 of 37 institutions by more than 25 percent, and 12 of these by more than 40 percent. We noted that CSC had not assessed the impact on the existing infrastructure prior to determining which institutions to expand. CSC informed us that this was because of the need to expand quickly, and that the infrastructure was being assessed and upgraded as part of the contracts for expansion.

**4.31** Maintaining good physical condition of its penitentiaries can be a challenge for CSC because of the difficulties in conducting repairs or replacements in an environment that must remain secure 24 hours a day and 7 days a week, while still maintaining food service, health care facilities, and programming areas. Correctional equipment, fixtures, and furniture are costly: they are often custom-made, must meet stringent standards for fire and tamper-proof design, and be able to withstand extensive wear and tear. Condition surveys help CSC assess its infrastructure and prioritize maintenance requirements.

**4.32** We examined how CSC assessed the condition of its infrastructure before it identified which facilities to expand and to help it estimate costs. We found that, when planning expansions in 2009, CSC did not have current surveys of the physical and operational conditions of its institutions. Nor did it have standards in place to facilitate objective assessments of a given institution's condition. In 2010, CSC facility managers provided preliminary assessments of the conditions of their facilities. These assessments indicated that 14 percent of CSC infrastructure was in poor or critical condition, making it prone to random failures, unplanned maintenance, and repair. Moreover, the infrastructure of about one quarter of the penitentiaries being expanded was assessed as being in poor operational and physical condition. CSC has determined that these facilities must now be upgraded.

**4.33** CSC has recognized that it needs to undertake an objective assessment of the condition of each institution in order to establish



priorities for capital maintenance. With the cancellation in 2012 of any new institutions, prioritizing capital expenditures and maintenance for existing facilities are particularly important because facilities that might otherwise have been decommissioned will now have to continue to operate. Because these facilities are no longer short-term accommodation solutions, they will have to be assessed to determine the cost of upgrading infrastructure for the long term.

**4.34** In 2012, CSC had developed a five-year accommodation plan that focused on completing expansions to its existing facilities without the construction of new institutions. Recognizing the maintenance requirements, in 2012, Treasury Board approved \$70 million per year for the maintenance of CSC's current facilities with the understanding that CSC will return with a long-term accommodation strategy to outline its future requirements. CSC committed to developing that strategy by March 2015, to address its aging infrastructure in a cost-effective manner.

#### **Cost savings by closing penitentiaries are less than announced**

**4.35** We examined the steps that CSC had taken to renew its infrastructure and achieve efficiency improvements. Under the government's deficit reduction exercise of 2011, CSC identified \$295 million in ongoing annual savings by the 2014–15 fiscal year, partly through the closure of three of its older institutions. At that time, CSC expected to have excess cells available with its planned construction, enabling it to replace its older institutions and achieve efficiency savings. In April 2012, the government announced the closure of Kingston Penitentiary and the Regional Treatment Centre in Ontario, and Leclerc Institution in Quebec, stating that this would save about \$120 million per year. CSC closed these institutions by October 2013, with the transfer of all offenders and staff from these facilities.

**4.36** CSC data indicates that the annual cost to operate these three institutions was \$119 million in the 2010–11 fiscal year, of which \$33 million was retained by CSC in order to accommodate offenders who were transferred to other facilities because of the closures. Because costs to accommodate these offenders will continue, CSC has estimated that direct savings with the closure will not be more than \$86 million annually. CSC had included other potential operational savings that could be realized following the construction of newer more efficient penitentiaries, making up the balance of the \$120 million in announced savings. These amounts were removed from CSC's budget through the deficit reduction exercise.

**4.37 Recommendation.** Correctional Service Canada should define its accommodation needs to guide future investment, replacement, or closure decisions for its penitentiaries, based on updated assessments of the condition of its facilities and offender population estimates.

**The Agency’s response.** Agreed. Correctional Service Canada (CSC) has committed, in its 2013–18 Accommodation Plan, to come forward to Cabinet in fiscal year 2014–15 to seek approval of its post-2017–18 Accommodation Plan.

As part of this process, CSC will revisit its offender population forecasts, the specialized accommodation needs of its custodial population, as well as its community-based accommodation requirements. It will also complete an assessment of its penitentiaries in order to prioritize the future capital investments to update and sustain its infrastructure.

#### Capacity pressures limit the movement of offenders

**4.38** The number of available maximum, medium, and minimum security cells within the penitentiary system, plus the availability of community facilities, influences how quickly offenders can be transitioned safely from higher to lower levels of security as they demonstrate progress in rehabilitation. This is important for an offender’s safe reintegration into the community and the likelihood of being granted conditional release at an earlier point in the sentence. Offenders are less likely to be granted conditional release (parole) directly from higher levels of security. Transitioning also influences operating costs because it is more costly to hold offenders at higher levels of security (Exhibit 4.4).

**Exhibit 4.4 Accommodation costs vary by security level**

Security level	Annual average cost per offender, 2012
Women’s facilities—multi-level	\$211,618
Men—Maximum security	\$151,484
Men—Medium security	\$104,889
Men—Minimum security	\$91,959
<b>Overall average cost per offender in custody*</b>	<b>\$117,788</b>
Community accommodations	\$66,203

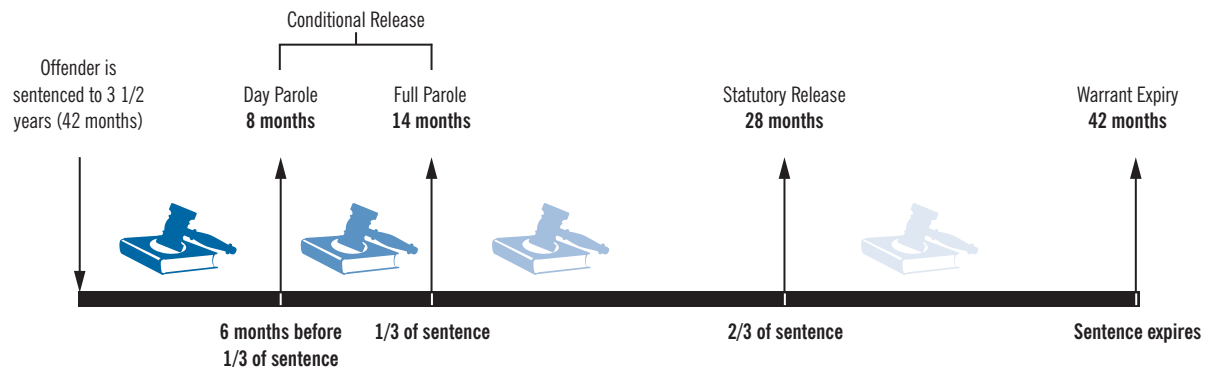
\*Costs are weighted by the number of offenders at each security level.

Source: Correctional Service Canada

**4.39** While CSC cannot control the number of offenders admitted to its penitentiaries, it has some influence over the length of time that offenders remain in custody, and at what security levels, by offering programs and other interventions to prepare them for early discretionary release. Under the *Corrections and Conditional Release Act*, offenders become eligible for full parole when they have served one-third of their sentences and for day parole six months before that date (Exhibit 4.5).

**4.40** We examined whether CSC provided correctional programs to support offender release and facilitate movement. We found that funding for correctional programs has kept pace with increases in offender populations and, on average, that offenders today attend their first correctional program almost two months earlier than they did three years ago. However, we also found that, despite increased investments in programs, discretionary releases by the Parole Board have declined by 14 percent since 2009 and that offenders are serving longer portions of their sentences in custody. As a result, even though neither the number of admissions nor the length of sentences has significantly increased, the overall offender population in penitentiaries has grown by about 9 percent since March 2010.

**Exhibit 4.5** Offenders can be eligible for different types of release throughout the length of their sentence



**Day Parole:** Day parole is a conditional release that is granted or denied by the Parole Board. Offenders serve the remainder of their sentence under CSC supervision in community facilities.

**Full Parole:** Full parole is a conditional release that is granted or denied by the Parole Board. Offenders serve the remainder of their sentence in a location of their choice in the community, and must report to parole officers or the police.

**Statutory Release:** Statutory release is a legislated release that allows offenders other than those with a life sentence, to serve the final third of their sentence in the community in a location of their choice, unless they are required to reside within a community facility under CSC supervision.

**Warrant Expiry:** Warrant expiry is a required release at the end of an offender's sentence. It is a full release for offenders who were considered too dangerous to return to the community under statutory release.

Source: Correctional Service Canada

**4.41** In December 2012, CSC conducted a review to determine why some offenders it recommended for conditional release were denied by the Parole Board. The review found weaknesses in how well CSC documentation showed whether offenders' participation in programs and their behaviour led to reduced risk to public safety, which negatively influenced the Board's decisions. The review noted that this was particularly problematic for low-risk offenders. These offenders were no longer offered correctional programs because CSC changed its referral guidelines in 2009 to focus its interventions on higher-risk offenders. This change was based on CSC research that found programs were effective in addressing criminal behaviour of higher-risk offenders, but could increase recidivism of low-risk offenders, who comprise about one-third of offenders in custody. We found that CSC has not evaluated the impact of this policy change on the length of sentences served by either low-risk or higher-risk offenders.

**4.42** About 20 percent of offenders reside at minimum security, with the vast majority held at the higher level security institutions. We examined whether capacity existed to facilitate movement to less costly security level institutions. Capacity pressures at minimum security institutions can limit the ability of offenders at higher security levels to transfer down. We found that CSC had not assessed whether there is sufficient capacity at minimum security institutions to allow offenders to transition down when they are ready. We noted that CSC recognized the need to facilitate movement of women offenders by building more capacity at minimum security.

**4.43** We also asked CSC officials whether offenders were transitioning to community facilities once they had been granted day parole. The officials explained that the number of community accommodations available for offenders released on day parole had declined. Available beds in community facilities are taken by a growing number of offenders on statutory release or subject to long-term supervision orders. These offenders are required by the Parole Board to reside in community facilities as a condition of their release, and have priority over offenders released on day parole. As a result, some offenders who were granted day parole stayed in the penitentiaries while they waited for accommodation to become available in the community. CSC was not able to provide us with data on how long offenders now have to remain in penitentiaries after being granted day parole.

**4.44 Recommendation.** Correctional Service Canada should determine why offenders are staying longer in custody in order to take appropriate action on managing accommodation needs and to take advantage of opportunities to lower costs.

**The Agency's response.** Agreed. Correctional Service Canada (CSC) agrees that a review should be conducted to determine why offenders are staying longer in custody in order to take appropriate action on managing accommodation needs and to take advantage of lower cost opportunities.

CSC will undertake this review by March 31, 2015. Based on the results of the review, it will take appropriate action for items under its control to manage accommodation in a cost-effective manner and deliver correctional interventions to offenders that contribute to successful reintegration into the community. For CSC, public safety is the paramount consideration in the corrections process and, as such, it will always take precedence over other considerations.

## Conclusion

**4.45** We concluded that Correctional Service Canada (CSC) increased the capacity of its correctional facilities in a manner that meets its needs in the short term. In the midst of its identified requirements to increase capacity for an expected rapid and significant increase in the offender population, CSC was adding over 2,700 cells to 37 facilities. When completed in 2015, CSC expects that these cells will alleviate much of the overcrowding experienced at the time of our audit. CSC conducted the expansion in a rapidly changing environment and successfully closed institutions in a timely fashion, as directed by the government.

**4.46** We concluded that CSC did not plan the expansions to its penitentiaries in a manner that took into account its accommodation needs in the long term. It had developed a five-year accommodation plan to focus on its current expansions to existing institutions, but it did not develop a long-term accommodation plan to deal with its aging infrastructure in a cost-effective manner. It has committed to do so by March 2015. It had not taken into account the condition of many of its facilities before determining which ones to expand. It did not have up-to-date guidelines for some of its space requirements, including those for providing health care and correctional programs. As well, CSC did not assess the extent to which further investments are needed to upgrade the aging infrastructure within its penitentiaries, including those it expanded.

**4.47** CSC has not assessed its accommodation needs for the longer term, or which facilities would be most cost-effective to expand. CSC has recognized that, by not building in a manner that addresses population pressures in its two biggest regions, it will need to continue double bunking and transferring offenders to penitentiaries in other regions with available capacity for the foreseeable future. Furthermore, CSC has not assessed why offenders are serving longer portions of their sentences in custody or the impact of this trend on required accommodation.

## About the Audit

The Office of the Auditor General’s responsibility was to conduct an independent examination of Correctional Service Canada’s correctional facilities to provide objective information, advice, and assurance to assist Parliament in its scrutiny of the government’s management of resources and programs.

All of the audit work in this chapter was conducted in accordance with the standards for assurance engagements set out by the Chartered Professional Accountants of Canada (CPA) in the CPA Canada Handbook—Assurance. While the Office adopts these standards as the minimum requirement for our audits, we also draw upon the standards and practices of other disciplines.

As part of our regular audit process, we obtained management’s confirmation that the findings reported in this chapter are factually based.

### Objective

To determine whether Correctional Service Canada increased the capacity of its correctional facilities in a manner that met its needs and was cost-effective.

### Scope and approach

We examined the needs analysis supporting Correctional Service Canada’s cell-expansion plan, and compared it to planned construction. This included an examination of capacity by institution, and of corresponding operational costs. We assessed the quality of Correctional Service Canada data and found it sufficiently reliable for purposes of our analysis. We also examined whether Correctional Service Canada had delivered required correctional interventions for the offender population, focusing on correctional programs provided within institutions. We did not examine the procurement process for the construction of new facilities.

### Criteria

Criteria	Sources
<b>To determine whether Correctional Service Canada increased the capacity of its correctional facilities in a manner that met its needs and was cost-effective, we used the following criteria:</b>	
Correctional Service Canada has clearly defined its present and future accommodation needs for the expected offender population.	<ul style="list-style-type: none"> <li>• Treasury Board decisions</li> <li>• Correctional Service Canada Accommodation Plan, 2013–18</li> <li>• Guide to the Management of Real Property, Treasury Board</li> <li>• Policy on Investment Planning, Treasury Board</li> </ul>
Correctional Service Canada has planned its penitentiary expansions to meet its accommodation needs, and has made adjustments as required.	<ul style="list-style-type: none"> <li>• Treasury Board decisions</li> <li>• Correctional Service Canada Accommodation Plan, 2013–18</li> <li>• Policy on Management of Real Property, Treasury Board</li> <li>• Policy on Investment Planning, Treasury Board</li> </ul>

Criteria	Sources
<b>To determine whether Correctional Service Canada increased the capacity of its correctional facilities in a manner that met its needs and was cost-effective, we used the following criteria: (Continued)</b>	
Correctional Service Canada has taken steps to manage its existing infrastructure to achieve recommended efficiency improvements.	<ul style="list-style-type: none"> <li>• Guide to the Management of Real Property, Treasury Board</li> <li>• Policy on Investment Planning, Treasury Board</li> <li>• Correctional Service Canada Commissioner's Directive 300: Real Property</li> </ul>
Correctional Service Canada has sufficient capacity to provide appropriate custody to offenders in a cost-effective manner.	<ul style="list-style-type: none"> <li>• <i>Corrections and Conditional Release Act</i>, 1992</li> <li>• Correctional Service Canada Commissioner's Directives 550, 560, 710 series, 850</li> </ul>
Correctional Service Canada has sufficient capacity to ensure that required correctional interventions are provided to offenders to support their successful reintegration.	<ul style="list-style-type: none"> <li>• <i>Corrections and Conditional Release Act</i>, 1992</li> <li>• <i>Corrections and Conditional Release Regulations</i>, 2012</li> <li>• Correctional Service Canada Commissioner's Directives 550, 700, 705 series, 710 series, 712 series, 726</li> </ul>

Management reviewed and accepted the suitability of the criteria used in the audit.

#### **Period covered by the audit**

The audit covered the period between April 2010 and September 2013. Audit work for this chapter was completed on 29 November 2013.

#### **Audit team**

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## Appendix List of recommendations

The following is a list of recommendations found in Chapter 4. The number in front of the recommendation indicates the paragraph where it appears in the chapter. The numbers in parentheses indicate the paragraphs where the topic is discussed.

Recommendation	Response
<b>Expanding institutional capacity</b>	
<p><b>4.27</b> Correctional Service Canada should update its accommodations guidelines to define the requirements for specialized spaces that support the operation of its penitentiaries based on their rated capacities. (4.19–4.26)</p>	<p>Agreed. Correctional Service Canada (CSC) is fully committed to further refining its accommodation guidelines by March 31, 2015.</p> <p>It has recently updated its Technical Criteria for its correctional penitentiaries for men. The criteria define site, building performance, and design guidelines, which are specific to the needs of correctional penitentiaries. CSC is also in the process of completing the construction of several generic buildings as part of its expansion that includes specialized spaces to address the site-specific operational needs.</p> <p>In addition, it is performing a review of its accommodation guidelines. As part of this process, it is conducting an analysis of operational requirements for specialized spaces across its penitentiaries with a view to creating a nationally consistent approach for any new construction as well as prioritizing future capital investments.</p>
<b>Costs to operate expanded institutions</b>	
<p><b>4.37</b> Correctional Service Canada should define its accommodation needs to guide future investment, replacement, or closure decisions for its penitentiaries, based on updated assessments of the condition of its facilities and offender population estimates. (4.29–4.36)</p>	<p>Agreed. Correctional Service Canada (CSC) has committed, in its 2013–18 Accommodation Plan, to come forward to Cabinet in fiscal year 2014–15 to seek approval of its post-2017–18 Accommodation Plan.</p> <p>As part of this process, CSC will revisit its offender population forecasts, the specialized accommodation needs of its custodial population, as well as its community-based accommodation requirements. It will also complete an assessment of its penitentiaries in order to prioritize the future capital investments to update and sustain its infrastructure.</p>

Recommendation	Response
<p><b>4.44</b> Correctional Service Canada should determine why offenders are staying longer in custody in order to take appropriate action on managing accommodation needs and to take advantage of opportunities to lower costs. (4.38–4.43)</p>	<p>Agreed. Correctional Service Canada (CSC) agrees that a review should be conducted to determine why offenders are staying longer in custody in order to take appropriate action on managing accommodation needs and to take advantage of lower cost opportunities.</p> <p>CSC will undertake this review by March 31, 2015. Based on the results of the review, it will take appropriate action for items under its control to manage accommodation in a cost-effective manner and deliver correctional interventions to offenders that contribute to successful reintegration into the community. For CSC, public safety is the paramount consideration in the corrections process and, as such, it will always take precedence over other considerations.</p>