



BRIEFING

Future MIQ Infrastructure – Strategic Discussion paper

Date:	10 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0483

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Indicate your priorities for progressing future MIQ infrastructure options and comfort with seeking funding in Budget 2022/23	17 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	s 9(2)(a)	✓
s 9(2)(g)(ii)	Senior Policy Advisor	s 9(2)(a)	
s 9(2)(g)(ii)	Senior Policy Advisor	s 9(2)(a)	

The following departments/agencies have been consulted
Ministry of Health

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Future MIQ Infrastructure – Strategic Discussion paper

Date:	10 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0483

Purpose

The purpose of this briefing is to provide you with information to support discussions with officials on the future of MIQ infrastructure. Specifically it covers your request for more concrete options or actions on:

- Which hotels could we buy and how much would they cost;
- How quickly could purpose built facilities be constructed, where and how much;
- How can we regularise and scale the workforce.

An outline of this information is attached in Annex 1.

Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

a **Note** subject to your priorities, anticipated timeframes for delivery:

- s 9(2)(f)(iv)
- End 2021: Investment Case completed (feasibility of buy and build options)
- s 9(2)(f)(iv)
-
- 2022-23: progress acquiring existing building outside of network, possible refurbishments complete
- 2023-24 onwards: any more extensive refurbishments completed or purpose built facility built (likely at least 2-3 years away).

Noted

b **Indicate** your prioritisation of progressing options outlined below:

- | | | | |
|---|-------------|--------|-----|
| i. Acquiring hotel within existing network | High | Medium | Low |
| ii. Acquiring existing building outside network | High | Medium | Low |
| iii. Greenfields (purpose build) | High | Medium | Low |

c s 9(2)(f)(iv)

Yes / No

d **Note** next steps are to prioritise progressing an investment case to s 9(2)(f)(iv) engage with iwi, and seek a public health view of the viable options.

Noted

e **Agree** that this briefing not be proactively released at this time due to Budget sensitivities.

Agree / disagree

1a



Kara Isaac
General Manager, MIQ Policy
Managed Isolation and Quarantine

Hon Chris Hipkins
Minister for COVID-19 Response

10 / 08 / 21

27 / 08 / 2021

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Background

1. On 11 July 2021 you agreed to meet with officials and asked for further information for future MIQ infrastructure, specifically concrete options or actions on:
 - Which hotels could we buy and how much would they cost;
 - How quickly could purpose built facilities be constructed, where and how much;
 - How can we regularise and scale the workforce.
2. This briefing includes a slide pack detailing the future MIQ infrastructure options. These slides are attached at Annex 1.

Future MIQ infrastructure options

3. The objective of the future MIQ system is that it is agile and flexible to respond to COVID-19. Long term options are focused on increasing the effectiveness and resilience of MIQ.
4. MBIE has identified the options under the following three categories (listed in Slide 11, of Appendix 1):
 - i. **Acquiring hotel within existing network:** Purchase costs are estimated using the 'medium' of s 9(2)(i) for northern hotels and s 9(2)(i) for southern hotels.
 - ii. **Acquiring existing building outside network:** To provide access to fresh air, the shape of any existing structure will need to be able to accommodate rooms with opening windows (e.g. army barracks style, long and slender). To fit out such structure, retrofit cost is estimated at approximately 50% of new build cost (i.e. s 9(2)(i)). This is in addition to the purchase cost of the building and land, and relies on a number of variables which need to be confirmed.
 - iii. **Greenfields (purpose build):** Build costs are estimated at s 9(2)(i) with each unit comprising two bedrooms, excluding land purchase costs. Constraints in the construction sector including labour, supply and inflation could lead to increased costs.
5. Subject to your views on facilities and funding, we can start work on all of these options now and anticipate the following approximate timeframes:
 - iv. s 9(2)(f)(iv)
 - v. End 2021: Investment Case completed (feasibility of buy and build options)
 - vi. s 9(2)(f)(iv)
 - vii. s 9(2)(f)(iv)
 - viii. 2022-23: progress acquiring existing building outside of network, possible refurbishments complete
 - ix. 2023-24 onwards: any more extensive refurbishments completed or purpose built facility built (likely at least 2-3 years away).
6. We also seek your views on the priority of progressing and seeking funding for the above categories.
 - i. s 9(2)(f)(iv)

ii. s 9(2)(f)(iv)

iii.

Limitations, risks and gaps

7. MBIE has done a limited assessment of the suitability of options for the future based on high-level criteria.
8. There is limited cost information publically available in relation to historic hotel sales in New Zealand due to commercial sensitivities and a wide range of factors. Costs are based on historical sales, Hotel Advisor advice and anecdotal advice of an average of s 9(2)(i) Costs to purchase hotels include approximate retrofit cost which was estimated at 20-40% of the medium approximate purchase cost. This will need to be verified by designers, engineers, contractors and quantity surveyors and is dependent on Ministry of Health requirements.
9. Costings are only CAPEX and we would need to also cover operating costs.
10. s 9(2)(i)
11. Further work is needed to avoid missing out on more potential feasible options, consider all issues, and ensure that options provide greatest value for money

Iwi Engagement

12. We have not yet explored options from Iwi, but we have asked Iwi to provide any ideas and options to us.

Next Steps

13. Subject to your views on facilities and funding, the next steps are to:
 - a. prioritise progressing an investment case to s 9(2)(f)(iv)
 - b. engage with Iwi; and
 - c. seek a public health view of the viable options.

Annexes

Annex One: s 9(2)(f)(iv)



BRIEFING

Longer term options to 'dampen' demand for MIQ spaces

Date:	20 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0541

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Indicate whether you want further advice on any of the longer term options presented to dampen demand for MIQ spaces.	30 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	s 9(2)(a)	✓
s 9(2)(g)(ii)	Principal Policy Advisor, MIQ Policy	s 9(2)(a)	

The following departments/agencies have been consulted
Department of Prime Minister and Cabinet, Customs

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments

RELEASED UNDER THE OFFICIAL INFORMATION ACT



BRIEFING

Longer term options to ‘dampen’ demand for MIQ spaces

Date:	20 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0541

Purpose

This briefing outlines:

- current work to address MIQ demand; and
- further longer term options to dampen MIQ demand.

Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

1. **Note** there is a range of work currently underway and future decisions which will impact on MIQ demand and supply; *Noted*
2. **Indicate** whether you would like further advice on any of the following longer term options that could dampen demand:
 - i) Option 1 – adjust border settings to limit non-essential travel for people currently in New Zealand; Yes/No
 - ii) Option 2 – limit/deprioritise access to MIAS vouchers for those who have left New Zealand for a non-essential reason and/or for those who have used MIQ multiple times Yes/No
 - iii) Option 3 – Adjust MIQ fees, including: Yes/No
 - increasing MIQ fees for people who depart New Zealand and require MIQ on return
 - increasing MIQ fees for those who require MIQ in relation to non-essential travel
 - increasing MIQ fees for repeat users of MIQ.

Proactive release

3. **Agree** that this briefing is not proactively released due to the options being at an early stage of development.

Agree / Disagree



Kara Isaac
General Manager
MIQ Policy, MBIE

..20.. / ..08.. / ..2021..



Hon Chris Hipkins
Minister for COVID-19 Response

27 / 8 / 2021
..... / /

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Background

1. You have asked for advice on options to dampen MIQ demand. This briefing outlines work currently underway which may affect MIQ demand and supply and further high level options to dampen MIQ demand.

MIQ demand

2. We have considered options to dampen demand against two time periods: the current high demand period between now and early 2022 and from early 2022 onwards as changes to border settings are introduced.

Current high demand

3. Under current border settings, traveller demand for MIQ has been seasonal, with increased demand around November-January, and lower demand during shoulder seasons. We are now in a period of higher demand, which is expected to peak between November and February.
4. This demand is being driven by New Zealanders wanting to return - currently around 79 percent of MIAS bookings are New Zealanders, mostly from the US and UK.
5. The MIQ system is also currently under significant pressure due to:
 - a. The suspension of the QFT arrangement with Australia and implementing managed return flights from New South Wales (final flight arriving Sunday, 22 August);
 - b. Holding additional rooms in contingency for RSE workers;
 - c. Very high demand from New Zealanders wanting to return home;
 - d. A number of large and complex groups arriving in August and September;
 - e. The need to take some MIQ facilities temporarily offline in the next two to three months to remediate ventilation systems;
 - f. Responding to the current community COVID-19 outbreak and the need to access quarantine and managed isolation space for community cases and symptomatic close contacts; and
 - g. A number of staff currently having to self-isolate due to having connections to either community cases of COVID-19 and/or locations of interest and unable to work.

MIQ demand from early 2022 onwards

6. MIQ demand will change as new border settings are gradually introduced as part of 'Reconnecting New Zealand'. We expect that demand will continue to exceed MIQ supply.
7. From early 2022 onwards we expect there could be:
 - i. Higher volumes of outbound and return travel;
 - ii. Increased number of repeat MIQ users;
 - iii. Restricted/shortened MIQ stays for some travellers; and
 - iv. Higher demand from non-New Zealanders for MIQ, following expected changes to immigration settings.

There is work underway which may impact the MIQ demand and supply relationship

8. There is a range of work currently underway and future decisions which will impact the MIQ demand/supply relationship.

Short-stay MIQ

9. The Ministry of Business, Innovation and Employment (MBIE) is examining the operational implications of various short-stay MIQ options. This includes considering application mechanisms (e.g. how the managed isolation allocation system would be used), use of MIQ facilities (e.g. dedicated short-stay MIQ facilities), impacts on capacity, the MIQ workforce, and the system-wide implications of a mixed MIQ model.

Wider border settings

10. We will provide further joint advice on MIQ demand and capacity in early September 2021 to inform your and the Minister for Immigration's decision on timeframes for the phased commencement of broader border settings [2122-0198 refers].
11. The way in which these broader border settings are phased will significantly impact upon MIQ demand. Once they are introduced, it will likely mean there will be a considerable volume of newly eligible migrants creating an initial surge and sustained increased in MIQ demand.
12. Given the potential MIQ demand implications of 'opening up' these categories, you have asked officials for advice on a possible dedicated MIQ allocation for this groups. Officials will provide this advice in September.
13. We understand Cabinet will also discuss providing a one-off residence pathway for onshore migrant workers at the end of August 2021. Depending on the option chosen, this will affect demand for MIQ. Further information is provided in the Cabinet paper.

Additional MIQ capacity

14. As directed, we are currently engaging with stakeholders and undertaking further suitability assessments of possible additional MIQ facilities in Rotorua and Christchurch [2122-0375 refers]. We will report back on the progress of this work by the end of August 2021.

Ring fencing

15. You recently agreed to activate ring-fencing in MIAS, which will result in New Zealanders having exclusive access to 70 percent of the vouchers, with the remaining 30 percent available to all eligible travellers. Ring-fencing will activated by the end of August 2021 [2021-4418 refers].
16. Activating ring-fencing will help ensure that New Zealanders retain priority access to MIQ rooms during periods of high demand, and future-proof the booking system against unexpected fluctuations in demand. We note that officials will continue to review whether the proportions are suitable.

Group allocations

17. There has been high demand from groups to access vouchers in addition to the group allocation packages previously agreed by Border Ministers. On 11 August 2021, you agreed to not consider out-of-cycle group allocation requests, and to release any unallocated rooms onto MIAS, along with deferring decisions on new border class exceptions until you are comfortable they can be absorbed into MIQ.
18. There continues to be a large number of requests to Government for MIQ group allocations. Future group decisions will continue to have implications for MIQ demand. One option to lower demand for MIQ would be to lower the fortnightly room allocation to groups and to set clear expectation with your Ministerial colleagues that group allocations will remain within this 'cap' that no new MIQ allocations will be established for specific sectors.

There is also work underway to make MIAS fairer, and to prioritise certain incoming travellers

Making MIAS fairer

19. We are developing options to make MIAS fairer, including assessing options for different ways in which MIQ vouchers are applied for and allocated. A fairer booking system for potential returnees could have the benefit of reducing the number of applications being made for MIQ spaces. We will provide this advice to you by 27 August 2021.

Expanding settings of current offline allocation

20. You will also shortly receive advice on high-level options for further prioritising MIQ allocations by broadening the scope of existing manual allocation processes (Time-Sensitive Travel Allocation and Emergency Allocation), along with options to target MIAS vouchers to those that left New Zealand prior to March 2020 and have not returned.

Further options to address demand in the longer term

21. Officials have identified three high-level options where further detailed analysis could be undertaken. Further detailed policy work would be required on all options, including the design of the possible interventions e.g. definition and operational implications of “essential outbound travel”. Wider Ministerial consultation would be required before any final decisions could be made.
22. All options will have Bill of Rights Act (BORA) implications as they impact on New Zealand citizens and permanent residents right to ‘freedom of movement’. This includes both the right to leave New Zealand and return home. Options that limit either of these rights would need to be proportionate to the risks/benefits of the intervention.
23. In addition to the current work described above, we have identified possible options that could dampen demand for MIQ spaces:
 - **Option 1:** adjust border settings to limit non-essential travel outside New Zealand for people currently in New Zealand
 - **Option 2:** limit/deprioritise access to MIAS vouchers to those who have left New Zealand for a non-essential reason or for those who have used MIQ multiple times; and
 - **Option 3:** adjust MIQ fees.
24. **Annex 1** summarises our assessment of the three options.

Option 1 – adjust border settings to limit non-essential travel outside New Zealand for people currently in New Zealand

25. This option closely follows Australia’s approach. Since 25 March 2020, the Australia Government has had border restrictions in place which has limited the ability for its citizens and permanent residents to leave their country.
26. Exemptions exist for a range of travellers such as aircrew and those travelling on Government business. Travellers can also apply for individual exemptions – in cases such as attending the funeral of a close family member, travelling for medical treatment not available in Australia and travelling on business.
27. On 1 August 2021, the ban on outward travel was extended to Australian citizens and permanent residents *ordinarily resident in a country outside of Australia*. Prior to this time, this group of people were automatically exempt from the ban.

28. Further detail on Australia’s approach is provided in **Annex Two**.
29. This option would be a significant change to New Zealand’s border control settings, but would likely have the greatest impact on reducing MIQ demand. Between 12 May and 3 August 2021 314,114 people departed New Zealand. Of these people, 252,453 travelled to Australia. Data does not exist as to the reasons for this travel.
30. Data also shows that people based in New Zealand (shown by their computer IP location) continue to be largest group accessing MIAS – 43 percent of all MIAS hits between 27 July to 2 August 2021. We cannot determine whether this is people in New Zealand booking MIQ to enable them to travel overseas and return, or whether they are acting as ‘third parties’ booking for someone currently overseas.
31. This option would have significant Bill of Rights Act (BORA) implications around freedom of movement and would require legislative changes to create the power to restrict movement.
32. A new assessment and decision making process (including IT development), requiring significant new resources, would have to be developed to assess applications for essential outbound travel. Depending on the criteria developed, we would expect significantly higher application numbers for those seeking approval for essential outboard travel.
33. The assessment process would require a lead agency (currently unidentified) and further investigation as to how and when approvals would be given – for example potentially before people arrive at the airport and needing co-ordination with the airline booking process.
34. This option is likely to have a long implementation period given the significant legislative and operational changes required. It should therefore be considered in the context of possible border changes from Government’s ‘Reconnecting ‘New Zealand’ work programme, such as the possibility that New Zealanders who are fully vaccinated are able to either self-isolate or undertake a reduced stay in MIQ.

Option 2 – limit/deprioritise access to MIAS vouchers to those who have left New Zealand for a non-essential reasons and/or for those who have used MIQ multiple times

35. This option would not limit people’s ability to leave New Zealand. However, depending on their reasons for leaving and/or the number of times that have previously used MIQ, their ability to access MIAS vouchers could be limited. This would disincentivise people wanting to leave New Zealand. One possible option to achieve this using ring-fencing is discussed in [Briefing 2122-0550].
36. The below table shows the number of times passengers recorded at the border have arrived in New Zealand between 1 September 2020 and 31 June 2021.

Passengers recorded at border	Number of passengers
One arrival	103,145
Two arrivals	2,060
Three arrivals	160
Four arrivals	14
Five or more arrivals	6
Total	105,385

NB – this data excludes all travellers from Quarantine Free Travel and passengers exempt from MIQ.

37. Within this option different approaches to dampen demand could be used. For example:
- a) Returnees who have used MIQ a specified number of times cannot access future MIQ vouchers or only have access to a small allocation; and/or
 - b) All users of MIQ would need to prove that their travel need is essential.
38. This option provides a more targeted approach, however the number of repeat MIQ users at this time is relatively small. However, this option could future proof against an increase in New Zealanders wishing to undertake travel in the future. This may occur as a greater proportion of the population is vaccinated and people have increased confidence to travel.
39. This option would have BORA implications around freedom of movement. Again, a new assessment and decision making process would be required if people had to prove their travel need is essential.

Option 3 – Adjust MIQ fees

40. The third possible lever is using MIQ fees. The core objective of the MIQ fees framework is to ensure the provision of MIQ services are more financially sustainable. Its secondary objective is to lower demand for MIQ services for short-term travel.
41. The fees framework could be widened to lower demand for those travelling for non-essential reasons and/or for repeat MIQ users as a core objective. Possible changes to MIQ fees to dampen demand include:
- increasing MIQ fees for people who depart New Zealand and require MIQ on return
 - increasing MIQ fees for those who require MIQ in relation to non-essential travel
 - increasing MIQ fees for repeat users of MIQ.
42. The current MIQ charges for MIQ users are set well below the actual costs of providing MIQ service. This means there is scope to increase MIQ charges for New Zealanders and for temporary class visa holders beyond the current rates while still not over-recovering actual and reasonable costs
43. We are currently progressing the MIQ fees review. Decisions from this fees review will go to the Social Wellbeing Committee on 25 August 2021, and to Cabinet on 30 August 2021. There would not be enough time to progress any substantial changes to the fees framework before this time, and any further changes would require a different set of decisions.
44. If you want officials to further develop the fee option, we recommend that this be explored during the next fees review. This would allow it to be considered in the context of future changes from 'Reconnecting New Zealand'. We would provide you with advice in October on this next review, with any changes coming into effect by early 2022.

Communication of Reconnecting New Zealand

45. With the recent Government announcement on the plan for Reconnecting New Zealand, an all of Government focus on ensuring this plan is communicated as widely and effectively as possible could provide people more certainty about when travel might open up. This could dampen demand in the short term.
46. MIQ will continue to work with DPMC on providing support to communicate Reconnecting New Zealand.

Next steps

47. We seek your direction as to whether you want officials to undertake a detailed analysis and provide you with further advice on any of the three options presented in this briefing. Further advice would be provided to you by end of September 2021.

Annexes

Annex One: Summary of Options

Annex Two: Australia's border setting changes

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Annex One: Summary of options

<i>Option</i>	<i>High-level description / possible levers</i>	<i>Potential impact on MIQ demand</i>	<i>Impact on returnees/community acceptance</i>	<i>Risk / legal considerations</i>	<i>Operational implications</i>
1) Adjust border settings to limit non-essential travel for people currently in New Zealand	<p>Border settings would limit the ability for people to leave the country.</p> <p>The definition of essential travel will determine the scale of impact</p>	<p>If a tight definition of essential travel is used, impact on demand could be high.</p>	<p>Those returnees eligible for MIQ space would need to follow an application process.</p> <p>Could be large scale lack of support as people may not be able to leave the country as they wish.</p>	<p>BORA implications in terms of restricting people's freedom of movement.</p> <p>This change would require legislative amendments.</p>	<p>An appropriate agency would need to stand up an assessment process to approve 'essential' outbound travel.</p> <p>Will require significant additional resourcing to establish and operate.</p> <p>Longest lead in time to operationalise of all the options.</p>
2) Limit/deprioritise access to MIAS vouchers to those who have left New Zealand for a non-essential reason and/or for those who have used MIQ multiple times	<p><i>Use of MIQ system to dampen demand.</i></p> <p><i>The definition of essential travel will determine the scale of impact</i></p>	<p>At this time, the impact of limiting multiple MIQ users would be small.</p> <p>The impact of restricting vouchers for non-essential travel will be larger.</p>	<p>Would change the profile of returnees, with less multiple users and more of those entering New Zealand for the first time.</p>	<p>BORA implications in terms of restricting people's freedom of movement.</p>	<p>Require MBIE to stand up an assessment process to determine non/essential travel – likely to be very resource intensive.</p>
3) Adjust MIQ fees	<ul style="list-style-type: none"> <i>increasing MIQ fees for people who depart New Zealand and</i> 	<p>Medium to high potential impact – depending on the levels of fees introduced and</p>	<p>Any changes to fees could be controversial.</p>	<p>Changes to MIQ fees will have implications under section 18 of (BORA) due to placing</p>	<p>Changes to MIQ fees will require new operational processes</p>

	<p><i>require MIQ on return</i></p> <ul style="list-style-type: none"> • <i>increasing MIQ fees for those who require MIQ in relation to non-essential travel</i> • <i>increasing MIQ fees for repeat users of MIQ.</i> 	<p>returnee's response to fee changes.</p>	<p>Impact will depend on the level of fees introduced. Further analysis would need to be undertaken about the potential impact on the returnees within each option.</p>	<p>restrictions on the rights of New Zealanders to enter New Zealand.</p>	<p>and potentially additional resourcing.</p>
--	---	--	---	---	---

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Annex Two: Australia's border setting changes

Initial border change – March 2020

1. On 25 March 2020, the Australian Government introduced a ban on outward travel out of Australia, which applies to citizens and permanent residents.
2. The following travellers are exempt from this ban, and do not have to apply for an individual exemption:
 - a. members of the crew of an aircraft or vessel, or a worker associated with the safety or maintenance of an aircraft or vessel
 - b. New Zealand citizens holding a Special Category (subclass 444) visa, even if they are usually resident in Australia
 - c. engaged in the day-to-day conduct of inbound and outbound freight
 - d. travelling in association with essential work at an offshore facility in Australian waters
 - e. travelling on official Government business (including members of the Australian Defence Force and any Australian government official travelling on a diplomatic or official passport)
 - f. individuals who are travelling directly to New Zealand and who were only in Australia or New Zealand for the 14 days immediately before the travel date.
3. The following travellers must apply for an individual exemption if they wish to leave Australia:
 - a. is attending the funeral of a close family member (parent, sibling, partner, child or grandparent) regardless of length of intended travel
 - b. is travelling due to critical or serious illness of a close family member (parent, sibling, partner, child or grandparent) regardless of length of intended travel
 - c. is travelling for necessary medical treatment not available in Australia
 - d. needs to pick up a minor child (adoption, surrogacy, court order etc.) and return to Australia with that child
 - e. intends to complete an existing work contract – for example fly-in-fly-out (FIFO) workers and individuals with a work contract
 - f. is travelling to an Australian territory which is outside the migration zone
 - g. other compelling reason for travel where travel is for less than three months
 - h. is travelling on business, regardless of length of intended travel
 - i. has had a previous request approved and the reasons for travel have not changed
 - j. travel is in the national interest
 - k. travel is in response to the COVID-19 outbreak, including the provision of aid

Subsequent border change – August 2021

4. On 1 August 2021, the ban on outward travel was extended to Australian citizens and permanent residents ordinarily resident in a country outside of Australia. Prior to this, this group of people were automatically exempt from the ban.



BRIEFING

Allocation options for upcoming period of very high demand

Date:	25 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0550

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	<p>Note work underway and forthcoming advice on allocating spaces in MIQ</p> <p>Indicate whether officials should progress work on any of the options canvassed</p>	30 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	s 9(2)(a)	
s 9(2)(g)(ii)	Manager, Allocation and Supply, MIQ Policy	s 9(2)(a)	✓
s 9(2)(g)(ii)	Advisor, Allocation and Supply, MIQ Policy	s 9(2)(a)	

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Allocation options for upcoming period of very high demand

Date:	25 August 2021	Priority:	High
Security classification:	In Confidence	Tracking number:	2122-0550

Purpose

This briefing:

- provides an overview of work underway and forthcoming advice on MIQ's allocations
- seeks your direction on potential options to prioritise MIQ space for New Zealanders who last left New Zealand prior to 25 March 2020

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** demand for MIQ places continues to significantly exceed the number of rooms we have available, and is not anticipated to reduce within the next six months. *Noted*
- b **Note** there is significant pressure on the system from New Zealanders overseas who wish to come home, businesses needing to bring in critical workers, the COVID-19 community outbreak, and managed returns from Afghanistan and Australia. *Noted*
- c **Note** we have recently provided you with separate advice on:
- a. creating a new emergency allocation category for individuals needing to travel following a bereavement and for individuals needing to travel offshore for medical treatment (agreed) [2122-0651 refers]; and
 - b. work to implement a 'lobby' function for MIAS [2122-0631 refers]. *Noted*
- d **Note** we will provide you with advice next week reviewing the time sensitive travel allocation to ensure it remains fit for purpose. *Noted*
- e **Note** we will also provide you with further advice on options for the online voucher booking system (e.g. introduction of a ballot or waitlist) following the results of the MIAS 'lobby' pilot and associated voucher release. *Noted*
- f **Note** if you wish to further prioritise MIQ vouchers, the fastest and least resource intensive approach is using existing and established manual allocation processes (emergency allocations and time sensitive travel), rather than setting up new processes and/or making changes to MIAS. *Noted*

g **Indicate** if you would like officials to progress work on:

a. expansion of emergency allocation criteria 2(c) that relates to New Zealanders unable to remain in their current offshore location

Yes / No / Discuss

b. an automatically verified allocation for citizens or permanent residents who last left New Zealand prior to 25 March 2020

Yes / No / Discuss

c. s 9(2)(g)(i)

Yes / No / Discuss

h **Agree** that this briefing be proactively released with any appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Kara Isaac
General Manager
MIQ Policy, MBIE

..25.. / ..08.. / ..2021..



Hon Chris Hipkins
Minister for COVID-19 Response

30 / 8 / 21

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Background

1. The Managed Isolation Allocation System (MIAS) has been operational since October 2020. Over the 2020/21 summer, demand for vouchers regularly exceeded vouchers available, a problem that was particularly acute in January and February 2021. Following an easing in demand for vouchers between late March and early June (caused largely by the implementation of quarantine-free travel with Australia), demand for vouchers is once again significantly exceeding supply. We expect even higher demand over the upcoming November-February period, along with potential supply pressures from the ventilation review work programme.
2. You have asked for advice on alternative ways of managing MIQ allocations over the high demand summer period, including an option to prioritise New Zealanders who have been overseas for an extended period.

Work on allocation currently in progress

3. **Emergency allocations:** You recently agreed to changes to the emergency allocation criteria [2122-0651 refers], including:
 - a. refining the wording of category 1(a) (risk to health or safety of New Zealanders). We aim to clarify the wording of these criteria to include people who need to travel outside of New Zealand to receive medical treatment, and reduce the number of futile applications from people misinterpreting their eligibility.
 - b. creating a third eligibility category for people who need to travel following the death of a close family member.
4. **Time sensitive travel:** We are conducting a review of the time sensitive travel allocation to ensure it remains fit for purpose, and will report back to you by 30 August. There have now been two application rounds for this allocation. We are likely to advise increasing the number of places in this allocation and including broader 'economic development' considerations.
5. **Improvements to MIAS:** We have provided you with separate advice on 24 August on the design and implementation of a virtual 'lobby' function for MIAS [2122-0631 refers]. This is a tactical solution to prevent too many users overloading the server during voucher releases, reduce potential advantages from the use of automated tools, and enable advance notice of releases.
6. **Group allocations:** You have recently agreed not to accept any out-of-cycle group allocations. This means that the next group allocations will be made for the April-August period late this year or early next year. We advise against any other changes to group allocations at this time (such as increasing the size of the allocation).

Increasing prioritisation of MIQ vouchers

7. There has been some public criticism of the MIAS system, and the allocation system more broadly, due to the lack of prioritisation for those that have been away from New Zealand for an extended period of time.
8. Because MIAS is a 'first come, first served' system, there is no consideration taken of how long an individual has been outside of New Zealand attempting to secure a voucher or their motivation for travel.
9. Emergency allocations (EA) are available for individuals who have an urgent and exceptional need to travel, but there is no specific allocation or provision made for people who have been trying to secure a voucher for some time but have not been successful.

Existing allocation split

Allocation	Rooms per month (accounting for cohorting impacts)
Emergency allocation	700
Time sensitive travel allocation	200
Group allocation	800 (current temporary increase to 1,000)
MIAS	Approx. 4,500
QFT Reserve	Approx. 1,000

10. Approximately 25% of allocable MIQ spaces are allocated manually. This means we already prioritise a large proportion of our returnees, primarily on social (emergency allocation) and economic or cultural (time sensitive, group allocation) grounds.
11. We have reviewed our existing allocations and processes to see whether we could increase our level of prioritisation and have more control over the allocation of vouchers for the upcoming summer season, and whether there are additional grounds for prioritisation that should be explored.

Options for New Zealanders who have been away for an extended period

12. We do not have good data on the number of New Zealanders who are offshore, trying to come to New Zealand and unable to secure MIQ vouchers. However, given the limited availability of MIAS vouchers over the last two months and the rise in media attention to this issue, this group is likely to be large.
13. In April – June 2021, there was low demand for MIAS vouchers, which meant people could easily access vouchers for a wide range of travel dates through October 2021. This means that New Zealanders who have not been able to secure a voucher will generally either (a) have had their circumstances change since early June (e.g. job loss), or (b) not have been looking to travel until November 2021 or later. Otherwise, vouchers would have been available for them.
14. s 9(2)(h) [REDACTED]
15. In order to s 9(2)(g)(i) [REDACTED] and increase fairness for New Zealanders who have been offshore for significant amounts of time, we could prioritise their access to MIAS vouchers either through existing or new allocation processes.
16. Criteria for such an allocation could include:
 - New Zealand citizen or permanent resident (verifiable);
 - Who is returning to New Zealand for at least six months (to prioritise New Zealanders returning home, as with fees regime; would be high-trust/self-declaration); and
 - Last left New Zealand prior to 25 March 2020 (reflecting ‘do not travel’ advisory period; verifiable).

17. We have identified three high-level options (noted below) to assist this cohort, ranging from adaptations of existing settings to full prioritisation. All would require some degree of additional staffing. Manually allocating vouchers, including accessing applications, is resource intensive. For example, processing just emergency allocation applications requires up to 30 FTEs, depending on application volumes at any given time.
18. If you indicate your support for any of the options noted below, further detailed advice would be required on the design and implementation of the options, including the number of rooms that would be allocated to them.

Option 1 – Targeted expansion of emergency allocation criteria

19. The emergency allocation criteria could be expanded to accommodate more people who last left New Zealand prior to 25 March 2020. This would allow existing processes to be leveraged, but likely require additional staff to manage the increase in applications.
20. Criteria 2(c) is for people who cannot legally remain in their current location. This is strictly interpreted so that applicants must prove there is **no alternative pathway, such as visa extension, for them to remain overseas** – 160 applications have been approved out of 384 processed.
21. It could be expanded so that New Zealanders who left New Zealand prior to 25 March 2020 could be eligible if they could demonstrate they are within three months of their visa ending, regardless of whether it could be renewed.
22. This would assist New Zealanders who only ever intended to be abroad for a finite period of time (e.g. working holiday visa holders) or people who were making a life overseas but whose circumstances have changed. It would not capture New Zealanders well-established abroad (such as people with permanent residence) or people who left New Zealand during the 'do not travel' advisory period.
23. We would monitor whether the current allocation of 350 rooms per fortnight remains adequate to meet demand if this criteria was loosened.

Option 2 – A new automatically verified allocation

24. A specific allocation for citizens or permanent residents who last left New Zealand prior to 25 March 2020 could be introduced, with eligibility automatically verified to minimise the need for case management. This could target a much wider group of returnees compared to the relatively 'narrow' emergency allocation changes noted in Option 1.
25. Although eligibility would be automatically assessed, MBIE would still need to design and implement an application and CRM system, and hire additional staff. Applications would be accepted during set windows, and balloting would be used if demand exceeds supply. Given the current demands on MBIE, in particular MBIE's current broader response role in the community outbreak of COVID-19, applications would likely be opened in November for travel in December-February.
26. This may be able to be implemented through MIAS in future, for example through the use of ring-fencing alongside automated checking of departure data. However, there are significant pressures on the MIAS development team, and this would involve deprioritisation of other work. Further investigation would be needed into the complexity of implementing a MIAS solution.

s 9(2)(g)(i)

27.

s 9(2)(g)(i)

28. Manual allocation of vouchers for the New South Wales managed return flights was only possible due to the relatively small scale, limited timeframe, large number of staff being temporarily pulled away from their primary roles to manage the process and assess applications, and because there were no requirements to provide evidence to verify claims made in applications.
29. The prioritisation of all bookings would also require the development and agreement of criteria to assess applications. This would be challenging as the situations where there is a very strong case to prioritise someone over others are mostly accounted for within MIQ's existing manual allocations.

30. s 9(2)(g)(i)

Officials' advice

31. **Option 1** (targeted expansion of emergency allocation criteria) could be progressed to assist the subset of New Zealanders who have been offshore for significant amounts of time and have their visa ending. Because it uses the existing emergency allocation process, it would have the lowest resourcing implications and lead time.
32. **Option 2** (a new automatically verified allocation) could be progressed if you want to ensure that all New Zealanders who have been offshore since before 25 March 2020 have the opportunity to secure an MIQ voucher, although this would have greater resourcing implications and lead time and not be able to be implemented until November for December arrivals.

33. s 9(2)(g)(i)

Next steps

34. You will receive advice reviewing the time sensitive travel allocation by 30 August. We will also provide you with further advice on options for the online voucher booking system (e.g. introduction of a ballot or waitlist) after analysing the results of the MIAS 'lobby' pilot.
35. If you indicate you are interested in progressing any of the options to support New Zealanders who have been offshore for significant amounts of time, we will progress the policy and operational development of the relevant option/s and provide you with further advice by early September.



BRIEFING

Commissioning of additional MIQ facilities

Date:	27 August 2021	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	2122-0586

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Agree in-principle, subject to seeking Cabinet funding, to bring the Quality Hotel Elms, Christchurch, online as an additional MIQ facility.	30 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Andrew Milne	Associate Deputy Secretary	s 9(2)(a)	✓
s 9(2)(g)(ii)	Principal Policy Advisor	s 9(2)(a)	

The following departments/agencies have been consulted
Ministry of Health, Police, New Zealand Defence Force, Aviation Security Service, DPMC, Treasury.

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

RELEASED UNDER THE OFFICIAL INFORMATION ACT



BRIEFING

Commissioning of additional MIQ facilities

Date:	27 August 2021	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	2122-0586

Purpose

This briefing provides you with information about possible new MIQ facilities in Rotorua and Christchurch. Specifically it covers:

- Continued risks to the MIQ system of adding new facilities;
- The results of the stakeholder engagement and facility assessments in Rotorua and Christchurch;
- In-principle agreement to add the Quality Hotel Elms, Christchurch to the MIQ network; and
- Cabinet approval of funding for an additional MIQ facility.

Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

- a **Note** due to MIQ system pressure and increased risk due to the Delta strain of COVID-19, officials continue to recommend that MIQ capacity is not increased at this time. *Noted*
- b **Note** MBIE advises against commissioning a facility in Rotorua, due to workforce constraints, lack of local stakeholder support. *Noted*
- c **Agree** not to progress further work to commission a facility in Rotorua at this time. Yes/No
- d **Note** the local engagement and feasibility assessment has confirmed that the Quality Hotel Elms, Christchurch (the Elms) could be brought online as an additional MIQ facility. *Noted*
- e **Agree** in principle, subject to seeking Cabinet funding, for the Elms to be brought online as a MIQ facility. Yes / No
- f **Note** s 9(2)(i) *Noted*
- g **Note** that if you want to seek funding from Cabinet to bring the Elms online, a draft Cabinet paper will be provided to you by 6 September 2021. *Noted*

Proactive release

h **Agree** that this briefing is proactively released with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Andrew Milne
Associate Deputy Secretary MIQ
MBIE

27/08/2021



Hon Chris Hipkins
Minister for COVID-19 Response

30/8/21

This briefing notes that the additional Hobson facility identified would actually be the more cost effective option of the two. However given the demand we are facing we need both in any event. I'd like to urgently see a plan to relieve the pressure/risk areas, particularly around workforce (eg direct recruitment of security, alternative healthcare arrangements such as greater use of telehealth).

Background

1. On 5 July 2021 we provided you with information about the commissioning process for new MIQ facilities and short term infrastructure needs [2122-0037 refers]. You asked officials whether the commissioning process could be shortened and if additional MIQ facilities could be brought online before the December/January peak demand.
2. On 29 July 2021 we provided advice on an expedited MIQ facility commissioning timeframe [2122-0339 refers]. On 3 August 2021 we advised that a desktop assessment had identified three possible new MIQ facilities – two in Rotorua and one in Christchurch [2122-0375 refers]. You subsequently agreed that MBIE would engage stakeholders and undertake further suitability assessments of the Rotorua and Christchurch facilities.
3. This briefing covers the results of the stakeholder engagement and suitability assessments of the three possible MIQ facilities.

Risks of an additional MIQ facility

4. The number of COVID-19 cases worldwide is at its highest ever, due to the transmissibility of the Delta variant. Australia has recognised the increased risk of spread of the Delta variant in border quarantine facilities and has reduced the number of international commercial flight arrivals by 50 percent.
5. The spread of the Delta variant has led to additional waves in countries that were previously doing well against COVID-19, even in those countries where vaccinations had begun to reduce transmission. This includes Australia where the outbreak in New South Wales has led to the suspension of quarantine-free travel. All 79 sequenced cases in New Zealand between 19 July and 9 August were the Delta variant.
6. The MIQ system is currently under significant pressure. This includes increased demand on MIQ as a result of the Delta variant community outbreak. This has resulted in two MIQ facilities being converted to quarantine only use with more expected to need to be converted in the coming days in order to accommodate all positive cases from the community as well as returnees who test positive. The additional workforce pressure and operational risk of this is significant, and resources are being drawn from other regions to support, in particular from Christchurch
7. In addition to the heightened risk from the Delta variant, New Zealand has been facilitating returns from New South Wales and emergency evacuation of civilians from Afghanistan. To enable this, we have used the 500-room QFT contingency and system-wide contingency to increase MIQ's total operational rooms to approximately 4,800. It has resulted in delays to maintenance and ventilation work at several facilities, and our workforce across these facilities has been stretched. Increasing the number of facilities across the MIQ system will exacerbate these pressures.
8. Staff are our last line of defence between COVID-19 and the community. It is critical that any future decisions around increasing MIQ capacity by standing up new facilities takes into account the additional workforce that will be required, including the time that will be needed to hire and train new staff members, and the increased pressures that will be placed on existing workforce to support the new facilities.

Workforce considerations

9. We have engaged with all key agencies who are currently involved in staffing MIQ facilities.
10. s 9(2)(g)(i)

s 9(2)(g)(i) . Further to the conversation on 4 August 2021 between yourself and Minister of Defence, we are providing you with a separate briefing on the implications, costs and proposed approach to managing the gradual withdrawal off NZDF from MIQ. This transition has implications for the ability of MBIE and other partner agencies (s 9(2)(b)(ii)) to support surge requirements for new facilities. The potential workforce for new facilities will be based on a combination of MBIE, s 9(2)((temporarily) and s 9(2)(a) staff undertaking the duties that Defence personnel currently perform.

11. Police will shortly provide separate advice to Government on the ongoing impact of their involvement in MIQ on their frontline services. This advice includes a recommendation for a way forward to ensure funding and workforce requirements to manage both MIQ commitments and front-line policing commitments. Subject to Ministerial decisions on whether Police maintain a presence at MIQ, Police will look to provide the agreed police officers for new facilities if decisions are made to proceed, with acknowledgement that this pulls further officers from the front-line.
12. s 9(2)(is able to free up a small number of staff in Christchurch while quarantine free travel with Australia is paused.
13. s 9(2)(b)(ii) has signalled that they will work to provide Security Officers for new facilities if decisions are made to proceed, s 9(2)(b)(ii)

 We are also working with s 9(2)(b)(ii) to explore options for their involvement in supplementing MBIE security workforce levels as the NZ Defence Force transition programme commences.
14. There are currently multiple pressures on the health workforce – this includes staffing of MIQ facilities, community testing and progressing the vaccination programme. Any immediate recruitment for new MIQ facilities is likely to be from the existing health workforce. This will have consequences for District Health Boards (DHBs) 'business as usual' services.
15. Further workforce considerations are discussed later within this paper as part of the assessment of possible new facilities. This includes the engagement with local DHBs.

Rotorua

Facility assessment

16. We previously identified two possible facilities in Rotorua:

s 9(2)(j)

s 9(2)(i)

- 17.

s 9(2)(i)

s 9(2)(i)

18. A team composed of MIQ operations staff (including a DHB representative) undertook a site assessment of the s 9(2)(j) in Rotorua on 16 August 2021. The overall assessment of the feasibility of this hotel operating as an MIQ facility was favourable from an operational perspective - in terms of space and movement of returnees.

19. s 9(2)(i)

20. s 9(2)(j) would require approximately 40 staff to run over a 24 hour period. The facility would cost approximately s 9(2)(i) per month to run, with establishment costs of approximately s 9(2)(i). The total cost for the facility between October 2021 and June 2023 (possible contract lengths are discussed later) would be approximately \$56 million. A high level breakdown of these costs is below.

Cost breakdown of s 9(2)(j)

s 9(2)(j)	s 9(2)(i)
Hotel	
Transport	
Workforce*	
Other**	
Total Ongoing	
Establishment***	
Total Cost	

* Workforce costs include those for Police, Health Workforce, MBIE MIF Management and Security and Private Security

** Other costs include facility perimeter fencing, ongoing WIFI and printing costs onsite etc.

*** Includes ventilation costs.

Iwi, local stakeholder and workforce considerations

21. Senior MBIE officials met with key Rotorua stakeholders on 9 August 2021 to initially discuss the idea of establishing a further MIQ facility.

22. The Lakes District Health Board (LDHB) noted they are committed to supporting the current three MIQ facilities in Rotorua and have 54 staff committed to these facilities. They currently have significant nursing vacancies (65 FTEs) in the Rotorua Hospital that they are trying to recruit for as well as having their COVID-19 vaccination programme underway.

¹ An onsite ventilation assessment was not able to undertaken on any of the facilities because of Level 4 restrictions. However, we are confident that the desktop assessment provides sufficient surety to whether the facilities meet, or have the potential to meet MIQ preferred conditions.

² s 9(2)(i)

23. LDHB indicated that they could not guarantee sufficient staff for any additional MIQ facilities without an impact on other local health services, for example elective surgery procedures.
24. MBIE officials also met with local iwi, the Rotorua Mayor and Tamati Coffey MP. The key issues raised were the:
- The size of current MIQ operations in Rotorua (three facilities) is disproportionate to the size of the town;
 - Three large scale hotels currently operating as MIQ facilities have reduced commercial accommodation capacity in the town;
 - The reduced accommodation capacity means that short term AirBnB visitor accommodation is now a more attractive option for rental home owners rather than long term rental accommodation. This is considered to be adding to homelessness issues as a result of lack of suitable/affordable housing. Stakeholders felt that while the MIQ facilities are not directly linked to Rotorua social economic issues, it was adding to them; and
 - Concern about the additional deployment of Police, noting their local crime problems (which have increased recently) and that Police staffing their local MIQ facilities were not always being deployed from outside of Rotorua. Therefore, they considered an additional MIQ facility would lead to a direct reduction of local policing and associated impact on public confidence and crime.

Rotorua conclusion

25. Because of the reasons outlined above the local stakeholders expressed opposition to the proposal to establish an additional MIQ facility in Rotorua.
26. MBIE is investing considerable time and effort in strengthening and deepening its relationship with iwi. Ignoring the view of iwi could impact upon this relationship and could make it more difficult to operate MIQ facilities in Rotorua. It could end up reducing the size of the current available workforce and damaging relationships with the local community.
27. s 9(2)(i)
Because of both stakeholder, health workforce and facility factors we do not recommend progressing further work to commission a facility in Rotorua.

Christchurch

Facility assessment

28. We previously identified one possible facility in Christchurch:

Quality Hotel Elms – 115 rooms (approximately 85 rooms available for returnees)



29. A team of Health and MIQ operations staff completed a site assessment of the Elms on 13 August 2021 and found that it was likely to be suitable for use as an MIQ facility. The desktop ventilation assessment, provided to MBIE on 23 August 2021 by an independent ventilation engineer reported that the Elms' rooms will achieve our preferred IPC conditions.
30. The facility met all 'must have' criteria set out in our previous advice [briefing 2122-0375 refers]. It would require approximately 32 staff to run over a 24 hour period.
31. This facility would cost approximately s 9(2)(i) to run per month, with initial establishment costs of s 9(2)(i). A high level breakdown of these costs is included below.

Cost breakdown of Quality Hotel Elms

Quality Hotel Elms Christchurch		s 9(2)(i)
Hotel	\$	
Transport	\$	
Workforce*	\$	
Other	\$	
Total Ongoing	\$	
Establishment	\$	
Total Cost	\$	

*Workforce costs include those for Police, Health workforce, MBIE MIQ Management and Security and Private Security

** Other costs include facility perimeter fencing, ongoing WIFI and printing costs onsite etc.

Local stakeholder and workforce considerations

32. Senior MBIE officials met with key Christchurch stakeholders on 10 August and 12 August 2021 to discuss the idea of establishing a further MIQ facility.
33. CDHB discussed the impact of the closed borders leading to a significant shortage of international clinical workers that usually work in New Zealand, particularly from the

Philippines and Singapore and if there was anything that could be done to assist bringing in additional qualified international medical staff to help fill the vacancies at the CDHB as well as staff a new MIQ facility. If we proceed with the Elms we may receive such a request in the future from CDHB.

34. Overall the CDHB was supportive of looking at how they could support the opening of a new facility.
35. MBIE also met with the Christchurch Mayor, who acknowledged the need to support the COVID-19 response and was open to an additional MIQ facility in Christchurch.
36. The Mayor noted that it would be good to ensure that Christchurch continues to retain/attract certain business and discussed the importance of the MIQ system to achieve this. The Mayor mentioned the International Antarctic programmes that uses Christchurch as a base. s 6(a) & s 9
s 6(a) & s 9 (2)(g)(i)
International students were also raised as a group of interest, in addition to the bespoke opportunities that occur from time to time (eg SailGP and Cirque du Soleil).
37. MBIE also met with Ngāi Tahu. They were generally supportive of an increase in facilities and were interested to understand if Ngāi Tahu people could be given the option to choose to isolate there. The conversation focussed on the need to balance community safety with allowing more New Zealanders to return home. It was also recognised that there were very limited options outside of the main population areas and that Christchurch was a logical place for MIQ facilities.
38. Security would be delivered on a blended model and would be heavily reliant on s 9(2)(b)(ii) for the majority of security staff, but s 9(2)(b)(ii) are likely to be able to support, particularly while quarantine-free travel with Australia remains suspended.

Conclusion

39. The Elms is smaller than our ideal facility size, with around 85 rooms available for use by returnees, but otherwise is suitable for use as an MIQ facility. We have provided you today with advice recommending the closure of the Bay Plaza in Wellington (2122-0420 refers). We consider that the Elms would be a good replacement for the Bay Plaza which would result in a small net increase of capacity. The Elms could be opened prior to the closure of the Bay Plaza with no overall loss of capacity.
40. While workforce constraints continue to be an issue in Christchurch, they are less critical than in Rotorua, and local stakeholders are more positively disposed to an additional facility being stood up in their city. Christchurch is a larger city than Rotorua, which means that it can more easily absorb an additional facility without as significant an impact on the local community. Based on initial conversations with partner agencies, it was concluded that there should be sufficient workforce to staff a new MIQ facility.
41. If you wish to proceed with commissioning a new facility, the Quality Hotel Elms Christchurch is our recommendation. At this time we do not have any other possible additional facilities within our current MIQ geographical footprint.

Next Steps and Cabinet funding

42. If you agree to commission a new MIQ facility, we would start in-principle contract negotiations with the chosen facility. These discussions would support the development of a Cabinet paper requesting funding. The funding request would include facility and workforce costs. We will provide this Cabinet paper to you by 6 September 2021.

43.

s 9(2)(i)

44.

s 9(2)(f)(iv)

45. If Cabinet approves funding, we would finalise contract negotiations and commissioning steps such as ventilation remediation and installation of security measures.
46. Assuming a timely progress through the Cabinet process, we are expecting that a new facility will be fully operational by mid-November 2021. If the request to Cabinet is successful we would provide you with an updated implementation plan (which would include a detailed communication plan).
47. We have also provided you with advice on future MIQ infrastructure [2122-0483 refers], which will enable you to consider changed or additional capacity within a longer term strategic plan.

RELEASED UNDER THE OFFICIAL INFORMATION ACT



BRIEFING

MIQ options for responding to the community outbreak

Date:	22 August 2021	Priority:	Urgent
Security classification:	In Confidence	Tracking number:	NZ001

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Note update on quarantine rooms availability to support the response to the community outbreak and options available to free up capacity	22 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Megan Main	Deputy Secretary, MIQ	s 9(2)(a)	✓
s 9(2)(g)(ii)	Policy Manager, MIQ		

The following departments/agencies have been consulted

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

RELEASED UNDER THE OFFICIAL INFORMATION ACT



BRIEFING

MIQ options for responding to the community outbreak

Date:	22 August 2021	Priority:	Urgent
Security classification:	In Confidence	Tracking number:	NZ001

Purpose

To update you on current quarantine room availability, changes we are making in response to the community outbreak and options to free up capacity in MIQ to support the response, should more capacity be required. We are available to meet with you to discuss this further.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** that the most recent Covid-19 community outbreak is evolving rapidly with positive case numbers steadily climbing since the first positive case was detected on Tuesday, 17 August 2021
Noted
- b **Note** that all positive cases to date have been transferred into MIQ. In addition, 6 close contacts have been transferred to the Holiday Inn in Auckland and one close contact has been transferred into MIQ in Christchurch
Noted
- c **Note** that we currently have 180 quarantine rooms available across the country and that our isolation room availability is extremely tight across the whole network
Noted
- d **Note** that we have some levers we can pull (and some we have already pulled) but they all have trade-offs including reducing our ability to respond to concurrent events as we are reducing our operating reserve
Noted
- e **Note** that we do not know yet what additional capacity may be available through DHBs over and above the MIQ capacity to deal with community cases and close contacts
Noted
- f **Agree** that this briefing be proactively release with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Megan Main
Deputy Secretary, MIQ
MBIE

22/08/2021



Hon Chris Hipkins
Minister for COVID-19 Response

22 / 08 / 2021

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Background

1. The situation of the most recent Covid-19 community outbreak is evolving rapidly with positive case numbers steadily climbing since the first positive case was detected on Tuesday, 17 August 2021.
2. As of Saturday, 5pm 51 positive cases have been reported in total, 45 in Auckland and 6 in Wellington. Given the large number of places of interest and some being large venues/events, we expect the number of positive cases to climb over the coming days.
3. All positive cases to date have been transferred into MIQ. In addition, 6 close contacts have been transferred to the Holiday Inn in Auckland and one close contact has been transferred to MIQ in Christchurch.

Current quarantine availability in MIQFs

4. We currently have 180 quarantine rooms available across the country, broken down by region as follows:
 - a. Auckland – 113 rooms
 - b. Wellington – 32 rooms
 - c. Christchurch – 35 rooms
5. Our isolation room availability is extremely tight across the whole MIQ network.

MIQ options for responding to the community outbreak

6. We have mapped out below a range of options that could free up isolation and quarantine rooms in MIQFs to accommodate both positive cases and close contacts to respond to the community outbreak, should additional capacity be required.
7. In short, we have some levers we can pull (and some we have already pulled) but they all have trade-offs including reducing our ability to respond to concurrent events as we are reducing our operating reserve.
8. Our immediate opportunities are:
 - a. Free up Holiday Inn in Auckland to take community cases as well as symptomatic returnees (DONE)
 - b. Convert Grand Mercure Wellington to a quarantine facility (DONE)
 - c. Use Bay Plaza Wellington for community close contacts (REFERRED TO M-TAG for advice at its meeting on 22 August)
 - d. Use some of the Christchurch operational reserve if there are cases in the South Island (PLANNING UNDERWAY)
 - e. Cancel some upcoming Group arrivals (FOR DISCUSSION)
 - f. s 9(2)(f)(iv)
9. s 9(2)(g)(i)

- a. Defer ventilation remediation at the s 9(2)(j) Auckland, freeing up 220 rooms from 27 August until mid September (not desirable)
 - b. s 9(2)(g)(i)
 - c. Request Ministry of Health review of protocols regarding who from the community needs to go into MIQ
10. The following table summarises a range of options being canvassed to create additional capacity if required.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Region	Option	Risk/potential consequences	Mitigations	Status
Auckland	Free up Holiday Inn in Auckland for symptomatic and close contacts to reduce load on Jet Park	Requires returnees to be diverted to other MIFs, impacts operational reserve	N/A	Complete 188 rooms for close contacts
	Defer planned remediation work @ s 9(2)(j)	Would free up 224 rooms from 27/8 until mid Sep Does not address ventilation risk Just delays the need to empty facility to fix ventilation	Do not fill all rooms, eg every second room	
Wellington	Convert Grand Mercure dual use facility to dedicated quarantine	Requires cohort diversion Workforce capacity issues Reduces Isolation capacity in WLG Not all rooms can be used as Q, lack of air filters	Divert cohorts now to minimise impact on returnees Expedite installation of air filters	Designation complete
	Use Bay Plaza for close contacts only	May mean we go over capacity in WLG	Plan now to divert returnees to other regions?	Referred to M-TAG 22/8 – can we put close contacts in BP?
Christchurch	Use operating reserve			Tasked CRIQ 21/8 to report back on how they would increase Q capacity if needed

Region	Option	Risk/potential consequences	Mitigations	Status
Hamilton	Pause RSE arrivals due 24/8 to create capacity for community close contacts	Lack of appetite to pause RSEs due to impact on hort sector	Send positives AND close contacts to AKL MIQ	Ask MOH IMT re plans for Hamilton outbreak management
All regions	s 9(2)(g)(i)			
	Release returnees after day 12 with negative tests (MOH lead)	Risk of not completing 14 days and long incubation period, especially given Delta. Is also a risk if we have in facility transmission	Ask all day 12 people to self-isolate for a further 5 days after leaving and get another test	
	Revisit protocols for who needs to enter MIQ from the community (MOH lead)	More close contacts would need to isolate in the community		
	s 9(2)(g)(i)			
DEMAND LEVERS				
	Cancel (some) upcoming groups: 1. RSEs 116 rooms ARR 24/8 (2 MIFs in HAM)	Reputational and political risk, especially if government has contributed funding	Could consider RSE coming into country without going into MIQ Select sports groups for cancellation that relate to	For discussion with Minister

Region	Option	Risk/potential consequences	Mitigations	Status
	2. English Roses – 37 rooms ARR 27/8 3. Construction Accord – 60 rooms, 1/9	<i>(if outbreak goes for more than a few weeks we will bump into large groups of USAP and fishers arriving in Sep)</i>	events that are likely to be cancelled due to outbreak	
	s 9(2)(f)(iv)			
	s 9(2)(g)(i)			
	Boost DHB isolation capacity	Capacity limited, workforce limited	N/A	MOH

RELEASED UNDER THE OFFICIAL INFORMATION ACT



BRIEFING

Options for managing severe demand for MIQ space due to concurrent events

Date:	25 August 2021, 9.15am	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	NZ-002 [2122-0706]

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Note options for managing severe demand for MIQ space due to concurrent events, and request to discuss.	26 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Megan Main	Deputy Secretary, MIQ	s 9(2)(a)	
Kara Isaac	General Manager - Policy, MIQ		✓

The following departments/agencies have been consulted
Ministry of Health

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Options for managing severe demand for MIQ space due to concurrent events

Date:	25 August 2021, 8am	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	NZ-002 [2122-0706]

Purpose

To provide you with options for managing severe demand for managed isolation and quarantine (MIQ) space should significant interventions be required due to concurrent events.

Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

- a **Note** that current MIQ-provided quarantine availability in Auckland is very limited, and on current projections the Jet Park quarantine facility is expected to reach capacity by Thursday, 26 August 2021. *Noted*
- b **Note** that work is underway to designate a current Managed Isolation Facility (MIF) as a second Auckland quarantine facility but that forecasts indicate this facility will also be at quarantine capacity early next week under current settings. *Noted*
- c **Note** that MIQ is experiencing extreme pressures across the network due to the concurrent events of:
 - a. accommodating the final tranche of New South Wales (NSW) managed returns;
 - b. the current community outbreak of COVID-19 requiring a second quarantine facility in the coming days;
 - c. the forecast intake of people from Afghanistan this week arriving sooner and being larger than expected; and
 - d. the potential flow on workforce impacts of MIQ staff testing positive for COVID-19. *Noted*
- d **Note** that based on current modelling of community cases and expected border arrivals, it is highly likely that Ministers will have to make significant decisions over the coming days on options to manage demand for MIQ space, which fundamentally involves either:
 - a. Reducing the number of people intending to enter New Zealand over the next two-four weeks (ie. cancelling vouchers), or
 - b. Revisiting the current settings for this community outbreak, only moving acute and high risk COVID-19 cases into MIQ, or
 - c. Relaxing public health settings in MIQ (ie. suspending cohorting) *Noted*
- e **Agree** to meet with officials to discuss these options as soon as possible.

Agree / Disagree

f **Agree** that this briefing be proactively released with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Megan Main
Deputy Secretary, MIQ
MBIE

25/08/2021



Hon Chris Hipkins
Minister for COVID-19 Response

26/08/2021

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Background

1. On Sunday, 22 August 2021, we provided you with some high level options to manage demand and free up MIQ capacity to respond to the current COVID-19 community outbreak. A number of those options have now been implemented, including stopping the release of Managed Isolation Allocation System (MIAS) vouchers, the deferral of the 24 August Recognised Seasonal Employer (RSE) flight from Vanuatu, and re-designating the Grand Mercure Wellington as a quarantine facility.
2. Since then, the operating context for MIQ has changed significantly, and there is now a need to consider the possibility of further interventions to manage severe demand for MIQ space.

Current quarantine availability in Auckland is very limited

3. As of Tuesday, 24 August 17:30, there are 159 COVID-19 positive community cases in total in MIQ: 144 in Auckland and 15 in Wellington. Given the large number of places of interest, we expect the number of positive cases to continue to increase over the coming days.
4. All positive cases to date have been transferred to MIQ. In addition, 16 close contacts who cannot self-isolate in the community have been transferred to the Holiday Inn in Auckland.
5. The Jet Park quarantine facility is currently accommodating 198 community and border COVID-19 cases and we currently have 131 (out of 278) quarantine rooms remaining across the country, broken down by region as follows:
 - Auckland – 70 rooms
 - Wellington – 28 rooms
 - Christchurch – 33 rooms
6. On current projections, we expect that the Jet Park quarantine facility will be full by Thursday, 26 August, and a current MIQF will need to be designated as a second Auckland quarantine facility that same day.
7. We are currently planning for the second quarantine facility to be the Novotel Ellerslie (247 rooms). However, its capacity may be impacted by a concurrent workforce event (outlined below). Our second option is the Holiday Inn Auckland, which is currently taking close contacts who cannot isolate in the community, and people who present symptomatic at the border (251 rooms). Discussions with Holiday Inn are currently underway and we will be able to update you on these later today. On current projections the second facility will be at capacity by early next week.
8. There is also risk in standing up an additional quarantine facility in such a short timeframe. Quarantine facilities operate on an increased staff to case ratio (both clinical staff and security staff) and under a much stricter operating framework. There will be little time available to both bring on additional staff and train them all in quarantine standards. Additionally, it is being reported that where COVID-19 cases have not been vaccinated, they are more acutely unwell than people seen with previous variants of COVID-19, require more intensive clinical care, and have an increased likelihood of requiring a longer stay in quarantine. It is also expected that a higher proportion of cases will need hospital level care than previously seen.

MIQ is experiencing extreme pressure due to concurrent events

9. Our isolation room availability remains tight across the whole MIQ network.
10. The final NSW managed return flight arrived on Sunday, 22 August. Due to the travel preferences of people returning from NSW, this flight ended up being a larger than originally anticipated, with 145 people on board (by comparison, only 21 people were on board the first tranche 3 flight on 9 August). This cohort is due to leave MIQ on Sunday, 5 September, closing out the NSW managed returns process.
11. The MIQ intake of people from Afghanistan this week has arrived sooner and is larger than expected, with 39 people entering MIQ in the last two days, up to 120 people expected to enter on 25 and 26 August, and an unknown number expected on 27 August. s 9(2)(j)
However, the larger than expected number of forecast arrivals means that the s 9(2)(a) will reach capacity on Thursday, 26 August, and a second MIQF will be required. s 9(2)(j), removing up to another 352 rooms from general managed isolation capacity.
12. In the last two days, a staff member s 9(2)(j) has tested positive for COVID-19 with 79 MIQ staff who have been deemed to be close contacts. Currently these staff have been allowed to continue working at these facilities while awaiting test results, under the same exemption that applies to the health workforce. However, if any of those staff were to also test positive this could lead to significant workforce shortages at this facility and the need to re-locate staff from other s 9(2)(j) MIFs. A second staff member s 9(2)(j) also tested positive but has subsequently returned a negative result. This remains under investigation with a final determination due later today.
13. The combined impact of losing the s 9(2)(j) from our MIQ portfolio for at least the next 2-3 weeks is up to 750 rooms. Alongside this, expected arrivals over the border in the next 14 days remain steady with a forecast 3,327 arrivals (excluding arrivals from Afghanistan from 27 August and arrivals from Australia on 5 September) and 3,694 departures.
14. Having reduced our operating reserve, and given these additional pressures, we have almost no ability to respond to any further concurrent events.

Pre-emptive decisions will soon need to be made on options to free up MIQ capacity

15. MBIE has taken a number of steps in recent days to try and conserve quarantine space and free up MIQ capacity. These steps have included:
 - Not releasing any vouchers from 22-26 August while we work to help stabilise the network.
 - Working with industry to agree the deferment of the RSE cohort from Vanuatu scheduled for 24 August, releasing 150 rooms in Hamilton for general use. We have also opened a conversation with industry about deferring the next cohort of workers from Samoa, scheduled for 10 September.
 - Not proceeding with the first planned red flight from Australia scheduled for 1 September. The first red flights will now be on Sunday, 5 September.

16. Ventilation remediation at the s 9(2)(j) [REDACTED], which was due to commence on 27 August, has now been deferred to mid-September. This deferment was a decision made by the contractors who were due to carry out the remediation work.
17. Despite these steps, in light of the expected increase in community cases over the coming days, and extreme pressures on the rest of the MIQ network, we anticipate that you will have to make significant decisions on options for our managing the severe demand for MIQ capacity over the coming fortnight.
18. Fundamentally, these options involve either:
 - Reducing the number of people intending to enter New Zealand over the next two-three weeks (ie. cancelling vouchers), or
 - Revisiting the current settings for this community outbreak, only moving acute COVID-19 cases into MIQ, or
 - Relaxing public health settings in MIQ (ie. suspending cohorting).
19. Table One provides an overview of options for managing demand for MIQ space for your consideration. All options pose trade-offs, and several involve legal risk.

Next steps

20. We would like to discuss the options presented in Table One with you as soon as possible, in order to progress planning for interventions that may need to be taken manage severe demand for MIQ space.

Table One

Actioned options				
Region	Option	Risk/potential consequences	Mitigations	Status
Auckland	Free up Holiday Inn for symptomatic people from the border or community, and close contacts who cannot safely self-isolate in the community	Requires returnees to be diverted to other MIFs Impacts operational reserve		Complete 188 rooms for symptomatic people and close contacts
	Defer planned remediation work at s 9(2)(j) [redacted] Note: Contractors lined up to complete remediation work have cancelled due to delays – unavailable to start work until 13 September	Ventilation risk	Do not fill all rooms (eg. person in every second room)	Complete 224 rooms for one managed isolation cohort from 27 August – mid Sep
Hamilton	Deferred RSE arrivals from Vanuatu due 24 August so returnees can be diverted to Hamilton, taking pressure off Auckland Note: Industry agreed to defer until QFT in place			Underway Hamilton MIQs will be filled with general managed isolation returnees 24-26 August
Wellington	Convert the s 9(2)(j) [redacted] dual use MIQF into a dedicated quarantine facility	Required cohort diversion Reduced Isolation capacity in WLG Poses workforce capacity issues Not all rooms can be used as quarantine rooms due to lack of air filters	Expedite installation of air filters	Complete 38 rooms for cases
	s 9(2)(j) [redacted] allocated for close contacts who cannot self-isolate in the community	No managed isolation capacity in Wellington for general use		As of 24 August no rooms had been required for close contacts. If this remains by 26 August, we may need to revisit whether to return s 9(2)(j) [redacted] to

				general use and put any future close contacts into § 9(2)(j)
All regions	Stop re-release of MIAS vouchers (eg vouchers cancelled by returnees who no longer require them) between 22/8 – 26/8	Frustrations raised in media		Complete Small number of rooms retained
	Defer first red flight from Australia scheduled for 1 September to 5 September		1 September flight was not public knowledge - eligible applicants for emergency allocations will be advised first flights are on 5 September	Complete 125 vouchers that were planned to be released for 1 September will now not be released. However, capacity already reallocated to increased arrivals from Afghanistan

Options under action

Region	Option	Risk/potential consequences	Mitigations	Status
Auckland	Establish new quarantine facility from existing MIQ managed isolation facility (likely Novotel Ellerslie or Holiday Inn Auckland)	Requires returnees to be diverted to other MIFs Impacts operational reserve and managed isolation capacity Staff member has tested positive for COVID-19. Currently close contacts are allowed to continue working while awaiting test results but this may change if any other staff members test positive		Underway

Options under consideration

Region	Option	Risk/potential consequences	Mitigations	Status
Auckland	Require the approximately 90 government employees (eg. NZDF personnel, Immigration NZ and MFAT staff) returning from Afghanistan			

	to complete their 14 days of isolation in the community, not in MIQ			
Christchurch	Use some operational contingency for general managed isolation use, to free up capacity in Auckland	Impacts operational reserve		Under review
All regions	Scale down, defer, or cancel (some) group bookings: 1. RSE group from Samoa scheduled for 10 September arrival (150 rooms across two dedicated facilities) s 9(2)(f)(iv)	s 9(2)(f)(iv)		Discussions opened with RSE industry re deferring Samoa flight. Would be open to considering s 9(2)(f)(iv)
	MIQ no longer takes close contacts who cannot self-isolate at home	Public health risk associated with non-compliance	Close contacts managed by other government agencies (eg wraparound supports)	For discussion with Minister and relevant government agencies
	MIQ only takes acute or high risk COVID-19 cases, with lower risk (eg. asymptomatic and vaccinated) cases remaining in the community	Public health risk associated with non-compliance Reputational risk Additional pressure on MIQ by having high number of more complex cases, especially in facilities which are not usually set up for quarantine	Positive cases managed by other government agencies (eg wraparound supports)	For discussion with Minister and relevant government agencies

	<p>s 9(2)(f)(iv) [REDACTED]</p>	<p>Already high level of frustration around lack of voucher releases since July</p> <p>Creates demand issues down the line</p> <p>Does not address immediate issue as all August and early September vouchers have been released</p> <p>Reputational risk</p>	<p>Could include additional October vouchers and/or some November vouchers in upcoming planned voucher release (refer MBIE BR 2122-0631) in order to release more vouchers in the near future without compromising immediate response requirements</p>	<p>For discussion with Minister and relevant government agencies</p>
	<p>s 9(2)(f)(iv) [REDACTED]</p>	<p>Stops NZ'ers coming home – BORA risk</p> <p>Significant reputational risk</p> <p>Creates demand issues down the line</p> <p>Legitimate expectation that people who have their vouchers cancelled will be allocated a voucher for a later date</p> <p>Would require restacking cohorts</p> <p>Long haul flights need lead-in time</p>	<p>Allow NZ citizens and families to return but not others</p>	<p>For discussion with Minister and relevant government agencies</p>

Options with additional public health considerations

Region	Option	Risk/potential consequences	Mitigations	Status
All	<p>s 9(2)(g)(i) [REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>



AIDE MEMOIRE

MIQ meeting with the Chief Ombudsman

Date:	30 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0715

Contact for telephone discussion (if required)

Name	Position	Telephone	1st contact
Andrew Milne	Associate Deputy Secretary, MIQ	s 9(2)(a)	✓
s 9(2)(g)(ii)	Resolutions Manager	s 9(2)(a)	
s 9(2)(g)(ii)	Policy Advisor	s 9(2)(a)	

The following departments/agencies have been consulted

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments

RELEASED UNDER THE OFFICIAL INFORMATION ACT



AIDE MEMOIRE

MIQ meeting with the Chief Ombudsman

Date:	30 August 2021	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-0715

Purpose

1. To provide you with information to support your meeting with the Chief Ombudsman on 1 September 2021 on a number of Managed Isolation and Quarantine (MIQ) issues. The Chief Executive of MBIE will also be in attendance.

Ingrid Harder
Director, Office of the Deputy Secretary
MIQ, MBIE
30 / 08 / 2021

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Chief Ombudsman

Role of the Ombudsman

2. In June 2020, the Chief Ombudsman, Peter Boshier, announced the establishment of an inspection programme to monitor and report on the MIQ facilities. The programme itself started in October 2020.
3. This programme supports New Zealand's obligations to the Optional Protocol to the United Nations (UN) Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT). The Chief Ombudsman is responsible for inspecting the treatment of people in health and disability places of detention – where people are not free to leave at their will. He also has an obligation of investigating complaints about the government, in this case he is investigating complaints about MIQ activities.

MBIE's support of and relationship with the Ombudsman

4. MBIE has strongly supported the Chief Ombudsman and his office to undertake their duties. This has included facilitating the safe inspection of MIQ facilities, providing information about MIQ facilities operations and responding to questions on a range of issues and investigations that he has undertaken.
5. s 9(2)(h)
[Redacted]
6. s 9(2)(h)
[Redacted]
7. MBIE officials most recently met with the Chief Ombudsman on 23 August 2021 to discuss various issues and concerns that he has. This was a constructive meeting, with officials providing a detailed explanation of the operations of MIQ. For example, MBIE officials clarified current MIQ capacity figures following a media interview where the Chief Ombudsman quoted different figures.

Letter from the Ombudsman

8. You have received a letter from Ombudsman on 19 July 2021 outlining his issues with the Grand Mercure, Wellington, specifically relating to the exercise area available at the facility. The Ombudsman is seeking your views on the matter, and offered to meet before he reports to parliament. This matter has since been discussed when MBIE officials met with the Chief Ombudsman on 28 July, and the Chief Ombudsman recognised that this was a challenging area to solve. Talking points in this have been added below (Annex two).

Ombudsman's current focus

9. In recent weeks the Chief Ombudsman has raised directly with MBIE, and publically, the increase in MIQ complaints to his office, specifically related to increasing MIAS complaints. He has stated that due to the current volume of complaints he is receiving about MIAS, he will undertake a systematic review of a number of MIQ issues, rather than addressing complaints on a case by case basis.
10. s 9(2)(g)(i)
[Redacted]

Meeting with the Chief Ombudsman on 1 September 2021

11. We anticipate the Chief Ombudsman will raise a number of key issues, as well as potentially discussing a wide range of other MIQ related topics.
12. This aide memoire provides you with:
 - General talking points (Annex 1); and
 - A list of expected issues to be raised and suggested talking points – these are split into ministerial and operational groupings (Annex 2).
13. The Chief Executive of MBIE will also be in attendance at the meeting.

Key issues

14. We expect the following issues to be raised at the meeting. The issues raised by the Ombudsman in a-d below are where you have a decision making role. Issues e-f are operational issues, however we have provided you some comments that you could make if appropriate.
 - a) MIQ capacity (potentially both current and future);
 - b) Accessibility and fairness of MIAS;
 - c) Emergency allocations and the suitability of criteria;
 - d) Considerations for Mariners to have a different booking process instead of MIAS;
 - e) Grand Mercure Hotel (Wellington), particularly the nature of the outdoor area for returnees; and
 - f) Viking Bay returnees and general support for non-English speaking returnees.

Next steps

15. This aide memoire is provided for you to read prior to the meeting with the Chief Ombudsman on 1 September 2021

Annexes

Annex One: General talking points.

Annex Two: Talking points on specific issues.

Annex One: General talking points

s 9(2)(f)(iv) and s9(2)(g)(i)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Annex Two: Talking points on specific issues

s 9(2)(f)(iv) and s9(2)(g)(i)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

s 9(2)(f)(iv) and s9(2)(g)(i)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

s 9(2)(f)(iv) and s9(2)(g)(i)

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



BRIEFING

Management of community cases from current Delta outbreak, and impending decisions needed on future management

Date:	29 August 2021	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	NZ-003 2122-0742

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	<p>Note that MIQ is projected to exhaust quarantine capacity to accommodate positive cases of COVID on Tuesday afternoon.</p> <p>Note that facilities and staff are under extreme pressure, resulting in increased risk to staff and the wider NZ public.</p> <p>Agree to commission an urgent All of Government alternative to MIQ.</p>	30 August 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Megan Main	Deputy Secretary MIQ, MBIE	s 9(2)(a)	✓
Sara McFall	Policy Director, MIQ	s 9(2)(a)	

The following departments/agencies have been consulted
The Ministry of Health have been consulted in the development of this advice.

Minister's office to complete:

- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

Management of community cases from current Delta outbreak, and impending decisions needed on future management

Date:	29 August 2021	Priority:	Urgent
Security classification:	Sensitive	Tracking number:	NZ-003 2122-0742

Purpose

To alert you to the need to urgently identify an alternative to MIQ to safely support the management of the current community outbreak, as a result of rapidly dwindling quarantine spaces (anticipated to be exhausted by the afternoon of Tuesday 31 August, based on current projections) and the high risk to staff and the wider community caused by the current approach of concentrating positive cases in hotels.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Note** that as of 0730 Sunday 29 August, the MIQ system was accommodating 389 community cases in quarantine (comprising positive cases and their 'bubbles') and 37 other cases (comprising of close contacts and their 'bubbles') from the current Delta outbreak in addition to positive cases from the border (currently assuming the need for approximately 100 more community arrivals a day for the next few days). *Noted*
- b **Note** that MBIE is expecting that available MIQ quarantine capacity will be exhausted by the afternoon of Tuesday 31 August. *Noted*
- c **Note** that MBIE has been unable to identify viable sources of additional quarantine supply in the current network of hotels after engaging with a number of facilities. *Noted*
- d **Note** that MBIE considers that the current practice of accommodating all positive cases in MIQ facilities, even with strong IPC measures and ventilation remediation work, carries increased risk to the MIQ workforce and the wider New Zealand public. *Noted*
- e **Agree** to commission an All of Government response to identify an alternative to the sole use of MIQ quarantine facilities for the current community outbreak.

Agree / Disagree

f **Agree** to proactively release this briefing with appropriate redactions consistent with the Official Information Act 1982.

Agree / Disagree



Megan Main
Deputy Secretary MIQ
MBIE

29 / 08 / 2021



Hon Chris Hipkins
Minister for COVID-19 Response

30 / 8 / 2021

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Background

1. MIQ has served New Zealand well for over a year, with more than 165,000 returnees accommodated, supported by a workforce of over 4,000 at any one time from across the private and public sector.
2. As a public health response at the border, MIQ and our workforce has been under extreme pressure over the last month due to concurrent events:
 - a. We are still in the tail-end of the New South Wales (NSW) managed return process, with the final flight having arrived on 22 August, and bringing back more returnees than originally anticipated. This cohort is due to leave MIQ on Sunday 5 September, closing out the NSW managed returns process which has seen 2,696 people, using 1,991 rooms, return over the past three tranches. Accommodating this cohort of managed returns has stretched the MIQ workforce.
 - b. The MIQ intake of people from Afghanistan will include more than 360 returnees, a small number of which have been symptomatic. This is a large group of people, with complex and varied needs. Appropriately supporting this cohort has been a cross-agency responsibility, but has nevertheless placed substantial strain on MIQ's workforce and capacity.
3. Running alongside these border events, since the start of the current Delta outbreak, MIQ has accommodated significant numbers of occupants over and above those planned for entry from the border. As at 7:30am on 29 August 2021, this includes:
 - a. 389 people in quarantine, occupying 201 rooms. This includes 113 people from the past 24 hours (from 7:30am on 28 August to 7:30am on 29 August) alone.
 - b. 37 close contacts who have been directed by a Medical Officer of Health to isolate in a MIQ facility, occupying 24 rooms.
4. People in quarantine as a result of the current Delta outbreak are pushing quarantine facilities to higher levels of occupancy and concentration than ever experienced before.
5. The Delta outbreak has also directly impacted MIQ workforce, with two staff in the last 24 hours testing positive for COVID-19, including a staff member who works across a number of sites testing positive for COVID-19, and also a kitchen staff member. The close contacts of these cases will undoubtedly include other staff at these facilities, placing additional strain on workforce numbers.
6. Planned arrivals from the border have remained steady while MIQ has accommodated these additional intakes. While there has not been a substantial release of vouchers on MIAS since 7th July, due to the timing of voucher releases, most of those people who are scheduled to enter MIQ in the coming weeks would have acquired their voucher some time ago.

We are struggling to find further supply of quarantine spaces and expect to run out of space imminently

Modelling indicates that further capacity is required to accommodate community cases

7. MIQ has been working closely with the Ministry of Health (MoH) to understand the potential demand for quarantine capacity resulting from the current Delta outbreak. Based on MoH's modelling, we are expecting that substantially more quarantine rooms will be required than are currently available.

8. As a conservative figure, we expect to need more than 650 rooms. Modelling from MoH indicates there could be a range of upwards of 710 people who need to be accommodated, although this already seems an under-estimate, given the total already exceeds 500 as at 29 August.
9. This does not take into account a potential super-spreader situation, nor does it take into account demand for MIQ rooms from close contacts. The range of data to support how many more rooms we may need for close contacts is extreme and could vary from 1:4 – 1:24, which is impossible to forecast with any accuracy.
10. Current quarantine capacity is 535 rooms across New Zealand, with 439 of these in Auckland. From Monday 29 August, the capacity in Auckland will increase when the Holiday Inn is brought online, with 58 quarantine rooms available initially. While there is less demand for Wellington and Christchurch quarantine facilities, we do not consider it viable to move people confirmed as having the Delta variant from Auckland to other locations in New Zealand in order to access quarantine capacity.
11. We consider that we need to plan to have available quarantine capacity that exceeds a conservative estimate of demand. While this may mean that some quarantine rooms are not utilised in the event that demand is less than expected, we consider this preferable to underestimating demand. This is consistent with discussions on 26 August 2021 with you and the Prime Minister.
12. Current quarantine facilities are insufficient to provide this level of quarantine capacity.
13. Appendix 1 outlines the actions MIQ has already taken to increase capacity.

MBIE and the Ministry of Health have been unable to identify an additional isolation facility which can be converted to another quarantine facility

14. There are a number of risks associated with standing up another facility to take positive cases. Work has been done by MBIE and MoH to assess risks related to facilities and workforce implications and to identify which, if any, current isolation facilities could be converted into a quarantine facility.
15. Of the current network of hotels used by MIQ, in addition to the Holiday Inn Auckland, we had considered that the s 9(2)(j) were viable options to convert to quarantine facilities, based on their ventilation assessments. However, on approach s 9(2)(j) has indicated the owners are not willing to convert these hotels to quarantine facilities.
16. The s 9(2)(j) was considered a further option that would be supported by MoH in the event that the s 9(2)(j) were unavailable, again due to its ventilation assessment. However, MIQ has been advised by s 9(2)(j) that they would not consider shifting to quarantine given the potential adverse reputational and commercial impacts to their business, particularly in light of the recent intense public focus on this particular facility. s 9(2)(j)
s 9(2)(j)
17. s 9(2)(g)(i)
18. s 9(2)(g)(i)

19. Discussions are on-going, but we need to be prepared for the possibility that we will be unable to identify further hotels which can be converted from managed isolation into quarantine facilities.

The rapid scaling of quarantine utilisation holds substantial risks to our staff, our system, and the wider New Zealand community

Infection prevention and control risks

20. There are both: known risks that potentially become more severe, and additional risks that arise with standing up, and operating, additional quarantine facilities within a short timeframe. Within the context of the highly transmissible Delta variant, high levels of occupancy significantly increases risk of transmission to staff.
21. In addition, risks increase in severity for capacity, fatigue, pivoting staff to new requirements, viral load in ventilation systems, and operating facilities at peak capacity, particularly given the protracted period in which MIQ has been operating at increased capacity.
22. Workforce capacity across the system will continue to be impacted due to staff testing positive and being close contacts associated with the community outbreak or from in-MIF transmission events, which we have seen increasing in the last fortnight with the arrival of Delta. This in turn elevates the infection prevention and control risks associated with staff operating under pressure.
23. High occupancy of facilities increases the probability of cases (and highly infectious cases) being present at a given time, which increase the overall risk of in-MIQF transmission (to staff and returnees). While we have a suite of mitigations in place to reduce this risk, the limits of these mitigations are currently being severely stress tested as a result of occupancy close to capacity. This has been reflected in the recent increase in in-MIQF transmission events (s 9(2)(b)(ii) within the past two weeks). This in turn increases the risk of further breaches from the MIQ system to the community.
24. MBIE takes its responsibility for the health and safety of all staff in MIQ facilities very seriously. We have significant concerns about the additional risks facing our staff and the potential implications this could have for their families, and we are aware of their very natural anxiety.

Risks to the stability of the hotel network

25. In addition to these risks related to infection prevention and control, the rapid shift from isolation to quarantine facilities also poses commercial risks for hotels. We are working closely with facilities to understand and address any potential issues with a request to shift from an isolation to a quarantine facility, but a number of issues have already surfaced which will have bearing on the willingness of facilities to convert to quarantine, including:
- perceptions or understandings of increased risk to staff working in quarantine rather than isolation facilities;
 - considerations around potential damage to hotel brand,
 - potential impact on bank borrowing related to the valuation of facilities and permitted use of facilities in borrowing arrangements.

26. s 9(2)(b)(ii)

We urgently need an all of government developed solution to the impending exhaustion of quarantine capacity

27. MBIE has taken steps to establish more quarantine capacity, and has reduced demand on the network, but we cannot single-handedly develop a solution to the need for an alternative to quarantine.
28. We acknowledge that the Ministry of Health is stretched in responding to the current community outbreak. In a discussion between MBIE and the Ministry on the evening of 29 August, where the above issues were raised, the Ministry of Health § 9(2)(g)(i) § 9(2)(g)(i) § 9(2)(g)(i) but recognised the need to progress this briefing due to the urgency of the current situation.
29. A workshop will be held on Monday 30 August through NRG to try to identify a solution. It is critical that this work is successful, given the impending exhaustion of quarantine capacity.

Next steps

30. We will continue to work through NRG to identify alternatives to quarantine facilities to manage the current community outbreak.
31. We are available to discuss this advice with you at the Officials meeting on Monday 30 August 2021.
32. You may wish to forward this advice to your Cabinet colleagues.

Appendix 1

MIQ has already taken steps to increase quarantine capacity

1. We have already taken a number of steps to try and conserve quarantine space and free-up MIQ capacity.
2. On 25 August 2021, you received more detailed advice on managing severe demand for MIQ space [NZ-002/2122-0706 refers], but these steps have included a pause on the release of further MIAS vouchers, deferring planned entry of the RSE cohort from Vanuatu, and cancelling the first planned red flight from Australia (which was scheduled for 1 September – the first red flight will now be on 5 September).
3. On 26 August 2021, you and the Prime Minister discussed with officials the range of options we provided you with in NZ-002 to increase quarantine capacity. As a result of that discussion, MIQ has:
 - a. Converted the Novotel Ellerslie as second quarantine facility midday, from Friday 27 August;
 - b. Is in the process of converting a wing of the Holiday Inn in Auckland to a quarantine facility, bringing online a further 58 quarantine rooms on Monday 30 August, with further rooms available later in the week;
 - c. Begun discussions to defer the planned 10 September 2021 RSE intake from Samoa until the commencement of planned quarantine free travel arrangements, with industry indicating some initial willingness;
 - d. Continued the pause on the release of MIAS vouchers in the near future (the next two to three weeks);
 - e. Commenced developing advice relating to Russian and Ukrainian fishermen.
 - f. Ranked other Auckland isolation facilities in order of suitability for possible conversion into Quarantine
4. On 28 August 2021 you also agreed to allow only people with offline allocations (largely emergency allocations) to board the red flight from Australia scheduled for 5 September [AUS-005/2122-0741 refers].
5. Cancellation of MIAS vouchers, previously flagged as being a 'second last' resort option at a meeting with the Prime Minister and yourself, would be dependent on there being viable options to convert managed isolation facilities to quarantine facilities. Further advice will be provided if this option is pursued.