



# BRIEFING

## Process for out-of-cycle group allocation requests

<b>Date:</b>	25 May 2021	<b>Priority:</b>	High
<b>Security classification:</b>		<b>Tracking number:</b>	2021-3770

Action sought		
	Action sought	Deadline
Hon Chris Hipkins <b>Minister for COVID-19 Response</b>	<p><b>Indicate</b> whether you wish to accept out-of-cycle group allocation requests.</p> <p><b>Refer</b> this briefing to other members of the Border Exceptions Ministerial Group.</p>	31 May 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Kara Isaac	General Manager, MIQ Policy	Privacy of natural persons	✓
Privacy of natural persons	Senior Advisor, Allocation and Supply		

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 Withdrawn           |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



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### Purpose

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To seek your direction on responding to out-of-cycle decisions on group allocation requests that have been sought, and agreement to a process for agencies seeking these decisions in future.

### Executive summary

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Based on your feedback for officials to provide sequencing options for groups, a process has been established for group allocation requests, in which all requests are considered by the Border Exceptions Ministerial Group against each other in thematic packages covering a five month period [briefing 2021-1728 refers]. This enables Ministers to make strategic decisions considering requests from all portfolios, which is more equitable than the ad hoc approach previously taken.

The next decision-making meeting for these packages is scheduled for late July. However a number of requests have surfaced seeking decisions sooner.

While there may be instances when an out-of-cycle group allocation decision needs to be made, out-of-cycle decisions undermine the function of the packages process as it means requests will not be considered against each other, forcing Ministers to make decisions on requests in isolation. This disadvantages agencies who are following the packages process and are working to the timeframes that have been specified as part of this process.

Out-of-cycle requests can lack key information such as the number of people travelling, dates of travel or countries of origin. This information is needed in order to fully assess the complexity of the group, how it would interact with other groups, and what public health risk it may pose to New Zealand.

This briefing provides information on the out-of-cycle requests MIQ officials are aware of, and we seek your direction on whether you are willing to consider these requests before the next packages meeting. Considering requests in relation to each other will be particularly important for the November-March period as demand from New Zealanders for MIQ is likely to be high, and approximately 200 of the 400 group allocation places per fortnight over this period have already been assigned to RSE workers and refugees.

Official also propose a process and criteria for considering future out-of-cycle requests, which could be communicated to agencies and Ministers to manage expectations about further requests.

## Recommended action

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

- a **Note** you received advice on 14 May on an updated criteria and process for considering group allocations, including the consideration of all requests over a five month period [briefing 20213639 refers].
- Noted*
- b **Note** consideration of all requests together (the 'packages' approach) allows Ministers visibility across possible options for using the group allocation and the ability to make strategic trade-offs between applications.
- Noted*
- c **Note** consideration by the Border Exceptions Ministerial Group of packages for the period November 2021-March 2022 is due to take place in late July.
- Noted*
- d **Note** some agencies intend to seek out-of-cycle decisions on group allocations as they believe there are compelling circumstances that require a decision before July.
- Noted*
- e **Note** out-of-cycle decisions being currently sought are likely to be taken only four or five weeks in advance of the Border Exceptions Ministerial meeting in which they were scheduled to be considered.
- Noted*
- f **Note** that while the next packages meeting could be moved forward to early July to expedite decisions on the current requests, full information to aid decision-making may not be available for this time due to compressed timeframes.
- Noted*
- g **Indicate** whether you wish the current set of out-of-cycle requests to:
- a. be considered independently prior to the packages meeting in late July, or
- Yes / No
- b. not be considered out-of-cycle, but to agree to bring the planned packages meeting forward to early July, or
- Yes / No
- c. be considered as part of the planned packages meeting in late July as currently scheduled (recommended).
- Yes / No
- h **Agree** that future requests for out-of-cycle decision-making be addressed through the process outlined in this paper.
- Agree / Disagree*
- i **Agree** that officials draft a letter for you to send to your colleagues outlining the group allocation process and the requirements for an out of cycle request.

Agree / Disagree

j **Refer** this briefing to Border Exceptions Ministers, the Minister of Foreign Affairs, and the Minister for Sport and Recreation.

Agree / Disagree

k **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 / 05 / 21



Hon Chris Hipkins  
**Minister for COVID-19 Response**

28 / 5 / 2021

## **Background**

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1. In February 2021 you agreed to a process and criteria for determining group MIQ allocations [briefing 2021-1728 refers]. This process was put in place to manage the large volume of requests MBIE and ministers received for the manual allocation of MIQ vouchers to groups.
2. In April, the Border Exceptions Ministerial Group considered thematic packages of group allocation requests to fill the group allocation between June and October. This proved effective in enabling Ministers to make strategic choices in deciding group allocation requests and was welcomed by agencies.
3. You recently received advice on updating the group allocation criteria and confirming the packages process and decision-making timeframe [briefing 2021-3639 refers].
4. MIQ is currently inviting agencies to submit group allocation expressions of interest (EOIs) for decision-making in late July. However, a number of agencies and ministers have recently indicated they wish to have group allocations requests considered prior to this meeting.

## **Consideration of out-of-cycle group allocation requests**

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5. The packages process, in which all group allocation requests for a given period are considered at once, enables Ministers to consider all requests based on their merits and the amount of space available to accommodate them.
6. However, situations may arise in which groups need decisions outside of the standard decision-making process, for instance if they have a compelling need to have MIQ certainty further in advance than the decision-making cycle allows.

## **Benefits of a packages approach**

7. A packages approach was trialled at the April meeting of the Border Exceptions Ministerial Group. It enabled ministers to make decisions on how to use the group allocation for a five month period at one time. The presentation of thematic packages served to illustrate the trade-offs facing ministers and how different combinations of groups could be accommodated depending on ministerial preferences.
8. Deciding all applications for a five month period gave certainty to agencies and enabled them to begin planning for their groups' entry with confidence.
9. There are trade-offs to long-term planning that the packages approach attempts to balance by assessing requests for a five month period two months in advance. Advance certainty of entry is useful for agencies and groups, but must be balanced against the need for the government to respond to near-term and urgent requests when they arrive.

## **Risks of out-of-cycle decision-making**

10. Making a decision on a group allocation request before consideration of allocation packages effectively prioritises the request as it is considered in isolation, and if approved will reduce the number of places available to other groups.
11. It may incentivise 'first in, first served' behaviour from agencies if out-of-cycle decisions are perceived as a way of getting an allocation without having to be prioritised against other requests. This is an equity concern as it means agencies and ministers who work within the packages process will be disadvantaged.
12. From an operational point of view, there are risks created by making decisions about events too far in the future. It is harder for agencies to provide accurate information about numbers and dates of travel. Agencies expect MIQ to accommodate fluctuations in numbers and

changes to dates, which is resource-intensive for operational teams and complicates long-term planning.

13. A number of group allocation requests that have been developed at pace have been incomplete when presented to Ministers and then faced significant implementation challenges, often with a reduced number of people showing up and/or delayed arrivals. For instance, international students will use four of their allotted 100 places for June. The Construction Sector Accord will use none of their 60 places for June. Despite the horticulture sector indicating they could arrange entry of RSE workers for mid-June, earliest entry is now likely to be early- to mid-July.
14. This adds additional challenges to MIQ's operational planning and can lead to room wastage. Out-of-cycle requests and an expedited package process both increase the risk of this.

#### *Capacity and demand forecast for November 2020 – March 2021*

15. In the last package you agreed to increase the number of rooms in the group allocation from 350 to 400 on an ongoing basis, and temporarily increase it to 500 over periods of high demand from groups and low demand from New Zealanders.
16. MBIE recommends that for the next allocation period, the group allocation quota remains at 400 due to the likely high demand from New Zealanders over the Christmas period, and the current high workload of MIQ operational staff working on group and other offline allocations.
17. If you agree to this, there will only be around 200 group rooms to allocate as 150 per fortnight have already been allocated to RSE workers and 100 every six weeks have been allocated to refugees.
18. The limited number of rooms for groups, and the high demand, means ministers will need to make challenging trade-offs between groups. Out-of-cycle decisions in advance of the package will significantly reduce the scope ministers have to make these trade-off decisions.

### **Potential out-of-cycle requests prior to July**

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19. We are aware that some agencies are considering making out-of-cycle requests prior to the next packages meeting in July. These include:
  - a. [MPI] Deepsea mariners (September 2021 onwards, numbers tbc)
  - b. [MFAT] Travellers returning from the Dubai Expo (November 2021 onwards, 358 people)
  - c. [SportNZ] Rugby Union and Rugby League teams returning from competitions (November 2021, 238 people)
  - d. [SportNZ] Cricket World Cup 2022 (January/February 2022, numbers tbc)
  - e. [MFAT] US and European Antarctic Programmes (November 2021 – February 2022, approximately 500 people)
20. Some of these requests will also require a border class exception.
21. The total number of rooms requested already exceeds the places available in the group allocation in November and January and takes up the majority of available spaces for December and February as well.

#### *Options for the current out-of-cycle requests*

22. The earliest that officials expect to have the necessary information to enable Ministers to make decisions on the current out-of-cycle requests is mid-June, approximately six weeks

before the scheduled July packages meeting. These requests could be considered at an ad hoc meeting at that point

23. An alternative option would be to bring the scheduled packages decision-making meeting forward to early July. While this would allow Ministers to make decisions on group allocations with the packages approach, the earlier deadline is likely to compromise the information able to be provided to Ministers to support decision-making and impact negatively on agencies working to existing timeframes.
24. Bringing the decision making meeting forward will reduce the time available for officials to assess EOIs, provide advice on each request and construct packages for consideration. This has the potential to compromise the integrity of the Health and Operation assessment. The MIQ Prioritisation and Group Arrivals team is currently at capacity managing allocations agreed at Ministers' April meeting and does not have the resources to simultaneously action decisions for the next round. Therefore an out-of-cycle decision or early packages decision would be actioned at a similar time to a decision made late July.
25. Alternatively, if you conclude that the out-of-cycle requests do not present a sufficient need to be considered before late July, you could decline to consider them prior to the currently scheduled packages meeting. In light of the risks and disadvantages to out-of-cycle and early decision-making, officials recommend this approach.

### **Sport New Zealand group allocation requests**

26. You have received a briefing from Sport New Zealand dated 21 May 2021 requesting out-of-cycle group allocations for 238 sportspeople and support staff to enter New Zealand in November 2021.
27. MIQ was not consulted on this paper. The paper and its recommendations therefore do not take into account the ability of MIQ to accommodate the recommended group allocations within predicted operating capacity at those times, or the ability of the MIQ workforce to put in place appropriate support for the groups proposed.
28. If Ministers choose not to agree to the allocations recommended in that paper, MIQ officials will work with SportNZ to present proposals to Ministers which reflect MIQ's capacity and operational requirements.

### **Process for out-of-cycle group allocation decisions**

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29. To manage the expectations of agencies and stakeholders, and ensure that future out-of-cycle applications are reserved for groups that present a genuine and urgent case to justify out-of-cycle decision, officials recommend a process be agreed and communicated for when and how out-of-cycle requests will be considered.

#### *Proposed application process*

30. If an agency becomes aware of a need to make an out-of-cycle request, they should engage with MIQ at an early stage for information about MIQ pathways and capacity. Requests for out-of-cycle allocations should be made in a letter from the relevant portfolio Minister to you that includes:
  - a. The benefits associated with this group allocation request
  - b. Why the decision to allocate MIQ rooms to the group cannot wait until the next scheduled packages meeting
  - c. An outline of what attempts the agency has made to mitigate the need for an out-of-cycle decision, including efforts to book on MIAS and

- d. The scale and likelihood of adverse consequences if a decision is not made prior to consideration of group allocation packages.
31. If you agree to accept the out-of-cycle request, the EOI will be presented to the Border Exceptions Ministerial Group for their consideration and decision.

*Groups should be using other MIQ pathways*

32. Some agencies are increasingly relying on the group allocation for their priority groups, regardless of whether this allocation is the most suitable one for their needs. Group allocations are manual processes and impose a significant workload on both MIQ and other agency officials.
33. Other pathways that agencies should be considering in the first instance include:
- a. Booking through MIAS (when the names of travellers are known)
  - b. Reserving places in MIAS (when dates of travel are known but names of travellers are not confirmed)
  - c. Time-sensitive travel (for near-term travel).
34. Agencies have informed MIQ that these pathways are not suitable as they are not available over the same time horizon as group allocations, for instance, MIAS vouchers are currently only available until the end of October.
35. Agencies must have a role in managing third party expectations on what can and cannot be achieved through MIQ, and putting the impetus on the organisations whose requests they receive to exhaust all other possibilities before seeking MIQ group allocations for reasons that do not relate to accommodating complex groups.
36. Diverting resource to accommodate these groups reduces our ability to respond to other groups with complex needs, especially when unexpected situations arise that need additional support (eg Russian mariners).
37. You may wish to raise this point at the next Border Exceptions Ministers meeting, and emphasis the expectation that group allocations are for a specific purpose and only applications meeting that purpose should be considered.

## **Next steps**

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38. We recommend you refer this paper to other members of the Border Exceptions Ministerial Group, the Minister for Sport and Recreation and the Minister of Foreign Affairs.
39. If you wish to bring the packages meeting forward from its currently planned date of late July, MIQ officials will work with other agency officials to expedite EOI preparation for all requests.
40. If you wish to establish a process for out-of-cycle group allocation requests, MIQ officials will work with other agency officials to prepare requests.