



AIDE MEMOIRE

Update on MIAS voucher availability and MIF supply

Date:	22 June 2021	Priority:	Medium
Security classification:		Tracking number:	2021-4290

Information for Minister(s)

Hon Chris Hipkins
Minister for COVID-19 Response

Contact for telephone discussion (if required)

Name	Position	Telephone	1st contact
Privacy of natural persons	Policy Manager, Allocation and Supply, MIQ Policy	Privacy of natural persons	✓
	Policy Advisor		

The following departments/agencies have been consulted

N/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 Withdrawn |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



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MIAS voucher availability and supply of MIQF

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Purpose

To update you on Managed Isolation Allocation System (MIAS) voucher availability and the Managed Isolation and Quarantine Facility (MIQF) supply.

Privacy of natural persons

Manager, Allocation and Supply
MIQ Policy, MBIE
21 / 06 / 2021

Summary

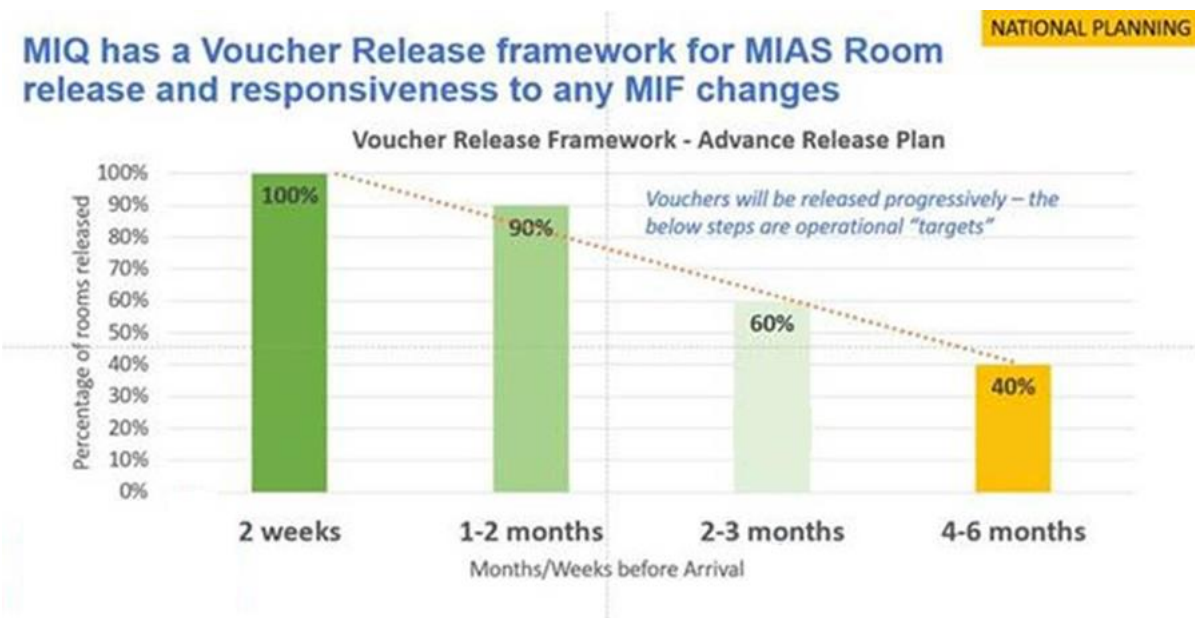
Voucher availability

1. The current low availability of MIAS vouchers is driven by:
 - a. An increased demand for vouchers
 - b. Not all vouchers over the six month booking time horizon have been released due to the voucher release framework, which 'stagger' voucher release over time [*Aide memoire 2021-2954 refers*]
 - c. The impact on room inventory as a result of implementing cohorting
 - d. Maintenance and remediation work taking some rooms/facilities temporarily offline
 - e. Some large groups have booked on MIAS and are unlikely to be able to use their vouchers due to border restrictions.

MIAS voucher availability

Voucher framework

- On 24 March, MBIE implemented a staggered release framework for MIAS vouchers, as shown below [*Aide Memoire 2021-2954 refers*]. The voucher booking timeframe was also extended to six months shortly afterwards.



- Only 40% of the vouchers are available four to six months out. The remaining 50% of the vouchers are released gradually, with the final 10% released two weeks prior to arrival.
- The graduated release of vouchers is intended to even out demand and reduce the likelihood of demand spikes, which have previously overwhelmed the system.
- By holding back some vouchers in reserve (for release at a later date), this staggered framework permits MBIE the operational flexibility to reduce room capacity, in case this is necessary in light of policy changes or unexpected issues.

Current MIAS availability and upcoming voucher releases

- The current percentage of vouchers released are as follows:
 - July: 90% of rooms ‘available’ for booking have been released (due to the impact of cohorting, MBIE is currently re-considering what should be considered the total number of ‘available’ rooms going forward; initial experience has shown that 90% occupancy is near ‘full’ capacity under a cohorting model as not all rooms can be utilised. Officials will provide you with a more detailed update on cohorting and its impact on capacity in early July.)
 - August: 60% of available rooms
 - September and October: 40% of available rooms:
- The next set of vouchers will be released in early July.
 - July: MBIE has no further plans to release additional vouchers in July.
 - August: will increase to 90% of available rooms

- c. September: will increase to 60% of available rooms

Factors that influence voucher availability

Increased demand for MIAS vouchers

8. There has been a decrease of voucher availability online, driven by an uptick in people booking vouchers relative to April and May. Vouchers are being rapidly booked following voucher releases.

Impact of cohorting

9. Cohorting involves each MIQF only receiving returnees who have arrived in New Zealand within a maximum of 96 hours of each other. The facility is then “locked down” and no new returnees are added until the cohort has completed its 14-day stay, and the facility is cleaned. The purpose of cohorting is to reduce the risk of intra-MIQF transmission between returnees at different points of their stay.
10. As noted previously, cohorting reduces MIQ operational efficiency. This is because many facilities are unable to be filled to full operational capacity within the 96-hour window. This was expected to reduce total operational utilisation by 10-15% across the MIQ network [*Aide memoire 2021-3379 refers*].
11. Officials are currently reviewing the ‘actual’ room loss caused by cohorting, which may be higher than expected due to variable flight arrivals and passenger numbers. More data is needed to inform a valid estimate of the impact of cohorting, and we will aim to provide initial indications in the next fortnight.

Offline rooms

12. There are currently 453 rooms offline, which reduces the total number of vouchers available. There is a breakdown of the offline rooms below at paragraph 22.

Wastage of vouchers – no-shows

13. MIAS vouchers are ‘wasted’ when people do not cancel vouchers which they no longer need. Between November 2020 and May 2021, the monthly no-show rate has fluctuated between 4.5% and 7.8%. MBIE is undertaking further work to understand what is driving ‘no-shows’, and whether there are any measures that could be taken to reduce this number. It is likely that travellers from very high risk countries make up a portion of these.

Group bookings

14. Some employers are making a large number of bookings on MIAS, when their employers/contractors don’t have relevant visas issued. This takes up vouchers in the system that could be used by others. For example, 336 vouchers have been booked over September and October for deep-sea mariners from Russian and Ukraine. The majority of these mariners will not be eligible for an ‘other critical worker’ border exception, and are relying on Border Ministers agreeing to a new class exception.

Very high-risk countries

15. Cabinet agreed to introduce the very high risk country framework on 29 April 2021. This framework, once revised, limited travel to New Zealand from very high risk countries to New Zealand citizens, their partners and/or dependent children, and parent(s) or a dependent child (where the child is a New Zealand citizen).
16. Travellers from these countries are booking vouchers in anticipation of the travel ban being lifted, and some are booking multiple vouchers.

17. On 5 May 2021, you agreed to MBIE cancelling vouchers for people traveling from very high risk countries who are unable to enter New Zealand on a rolling two-week basis [*Briefing 2021-3469 refers*]. These cancellations were to align with reconsideration of the very high risk designations. Since this decision, there have been no reconsiderations of the very high risk designation. MBIE continues to cancel relevant vouchers within the two-week period.
18. On 2 June 2021, you agreed for MBIE to undertake a one-off cancellation of vouchers for Emirates flights from India until the end of June, given that Emirates had suspended flights on this route for this period. Aside from this exception, MBIE is unable to 'cancel' vouchers beyond the two week time horizon. As shown below, there is still high demand for vouchers for Indian nationals coming from India.

Table 1: Vouchers booked on MIAS with India as the 'Point of Departure'

MONTH	INDIA NATIONALS	NEW ZEALAND CITIZENS
July	759	246
August	456	142
September	84	24
October	44	27

Voucher cancelation framework

19. MBIE is developing advice on a more general framework for voucher cancellation and rerelease, and will provide you with advice on this shortly. This framework is being developed in response to situations where travellers cannot plausibly, or are highly unlikely to use, the vouchers they have booked, such as:
 - a. Group bookings with no border exemption
 - b. Very high-risk countries
 - c. Quarantine-free travel arrangements
 - d. Flight changes and cancellations

Supply of MIQF

Current MIQF capacity and occupancy rates

20. As at 21 June 2021, MIQF occupancy was at 76.6%. This percentage is based on the total occupancy (2716) divided by the capacity (3,547).
21. In practice, this total capacity (3,547) cannot be used in full while maintaining cohorting. We expect that cohorting reduces operating efficiency by about 15% - however, as noted above, work is underway to determine an accurate impact on efficiency.
22. The current lower occupancy (2716) partially reflects that demand for the previous fortnight was not as high as demand for the coming fortnight. The forecast occupancy for the coming fortnight is 3,126.

Table 2: MIQ capacity and Occupancy

Description	Number
Total capacity <i>Available rooms (4,500)</i> <ul style="list-style-type: none"> • <i>Minus contingency rooms (500)</i> • <i>Minus offline rooms (453)</i> 	3,547
Total occupancy (21 June)	2716
Percentage occupancy (21 June)	76.6%

23. As at 19 June, 453 rooms were offline for maintenance:

Table 3: Offline rooms

Location	Number of rooms offline	Date when rooms will be online
Grand Millenium Auckland	396	Estimated within the next fortnight
M Social	57	Sunday 27 June