



## BRIEFING

### Impact of Quarantine Free Travel with Australia on MIQ

<b>Date:</b>	14 April 2021	<b>Priority:</b>	High
<b>Security classification:</b>		<b>Tracking number:</b>	2021-3193

Action sought		
	Action sought	Deadline
Hon Chris Hipkins <b>Minister for COVID-19 Response</b>	<ul style="list-style-type: none"> <li>• <b>Agree</b> to cancel vouchers held by travellers arriving from Australia after QFT commences</li> <li>• <b>Agree</b> to implement cohorting of all arrivals into MIQ facilities, with a 2 - 4 week transition period</li> <li>• <b>Agree</b> to MIQ implementing 'sub-cohorting' for people arriving on Ministry of Health designated 'highest risk' routes and/or flights, to commence with flight EK448 when the current suspension on travellers from India is lifted.</li> </ul>	19 April 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Megan Main	Deputy Secretary MIQ	Privacy of natural persons	
Kara Isaac	General Manager, MIQ Policy		✓
Privacy of natural persons	Policy Advisor, MIQ Policy		

The following departments/agencies have been consulted
Ministry of Health; New Zealand Defence Force (NZDF)

**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 Withdrawn           |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

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### Purpose

To update you on how quarantine free travel (QFT) with Australia will impact New Zealand's managed isolation and quarantine (MIQ) network, and seek your:

- agreement for MIQ to cancel vouchers held by travellers arriving from Australia after QFT commences
- agreement to implement cohorting of all arrivals into MIQ facilities, with a 2 - 4 week transition period (commencement date dependent on outcomes of Grand Mercure Auckland and Grand Millennium investigations)
- direction on implementing 'sub-cohorting' for people arriving on Ministry of Health designated 'highest risk' routes and/or flights, to commence with flight EK448 when the current suspension on travellers from India is lifted.

### Recommended action

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

*Assessing the suitability of current MIQ facilities before releasing vouchers*

- a **Note** you previously agreed that MIQ rooms freed up by QFT with Australia (not including the 500 to be held back) be released back into MIAS and allocated to group arrivals in July, subject to the suitability of MIQ facilities to deal with highest risk arrivals.
- Noted*
- b **Agree** to decrease the operating capacity of MIQ from 4,500 rooms per fortnight to 4,000 rooms per fortnight in order to implement the holding back of 500 additional rooms, effective from Monday 19 April.
- Agree  Disagree
- c **Note** it was previously estimated that the number of vouchers that could be "freed up" by the QFTZ was between 500-800 per fortnight but that this will decrease significantly when taking into account:
- the impact on operational efficiency of a decision to cohort all arrivals (estimated impact of 10-15% decrease on operational efficiency) (discussed below)
  - the recent recommendation by the MIQ Technical Advisory Group (TAG) to not place any new returnees into the Grand Millennium and Grand Mercure (Auckland) for a currently unknown period of time (approximately 600 rooms)
  - bringing forward scheduled hotel maintenance from July - September (discussed below) into April and May

*Noted*

d **Note** the changes outlined above are unlikely to restrict people's ability to travel to New Zealand in the short term (April - June), due to the current and expected availability of rooms in MIAS following commencement of QFT.

*Noted*

e **Note** that this could change at short notice if there are further intra-facility transmission events or results of onsite ventilation reviews that require multiple MIQ facilities to be taken offline while investigations or remediation work is underway.

*Noted*

f **Note** we will not be able to complete our assessment of the suitability of all MIQ facilities until the ventilation review is completed by the end of May, and this will be included in our two-month review of QFT impacts on MIQ.

*Noted*

#### *QFT voucher cancellations*

g **Note** after the announcement on 6 April of QFT with Australia, MIQ officials implemented a technical change on MIAS to prevent people travelling from Australia from booking vouchers after 19 April (as they will not be required).

*Noted*

h **Note** MIQ room utilisation is already decreasing following the announcement of QFT, due to people scheduled to arrive from Australia not cancelling their vouchers but rescheduling their flights.

*Noted*

i **Note** there are currently approximately 4,100 rooms booked on MIAS by travellers who provided Australia as their point of origin who are scheduled to arrive between now and the end of May, and allowing these travellers to retain their vouchers will likely result in thousands of unused rooms in MIQ (no-shows).

*Noted*

j **Agree** that MIQ cancel all remaining MIAS vouchers held by travellers who have listed Australia as their port of origin after the QFTZ commences on Monday 19 April.

Agree /  Disagree

#### *Managing the increased risk profile of post-QFT returnees*

k **Note** since the announcement of QFT with Australia, we have seen the risk profile of arrivals at the border increasing with recent days averaging 85-90% arrivals from high risk countries.

*Noted*

l **Note** you previously agreed that a cohort of arrivals would be defined as a group of people who arrive at the border of up to a 96-hour period [briefing 2021-2195 refers].

*Noted*

m **Agree** that MIQ transition to a cohort approach for almost all arrivals whereby facilities will take in arrivals in a 0-96 hour (maximum) window and then 'lock down' for a full 14-day cycle with no additional returnees (emergencies excluded) until the full cohort has completed its stay.

Agree /  Disagree



- n **Note** that transitioning to cohorting for general MIQ facilities will only commence after the current investigations into the Grand Mercure and Grand Millennium events have been completed and decisions made about their ongoing use.  
*Noted*
- o **Note** there will be a small number of MIQ facilities that will not be used for cohorting as they are held for special requirements (e.g. unaccompanied minors, diplomats).  
*Noted*
- p **Note** that the Ministry of Health [Public Health] supports in principle the movement to cohorting of facilities as this removes the risk of intra-MIF transmission between returnees at significantly different points in their stay.  
*Noted*
- q **Note** that cohorting does have workforce implications, particularly for the health workforce, and that we are working with the Ministry of Health and frontline clinical leaders on these.  
*Noted*
- r **Note** the cohorting system will take up to four weeks to fully implement (after commencement), as it will require emptying out facilities and then “restacking” them with cohorted arrival intakes.  
*Noted*
- s **Note** that we have been working with the Department of Prime Minister and Cabinet on advice on the current suspension of travellers from India, and that we could commence cohorting of arrivals on flight EK448 into the most appropriate facilities from the time that the suspension on travel is lifted (and staging implementation for other arrivals across all other facilities once decisions are made about the Grand Millennium and Grand Mercure Auckland).  
*Noted*
- t **Note** that this will initially require eight MIQ facilities due to the number of vouchers already allocated to people travelling on this flight during May, but that over time this would decrease to 4-7 Auckland facilities on a rotational basis.  
*Noted*
- u **Agree** that MIQ implement ‘sub-cohorting’ of designated ‘highest risk’ routes and/or flights, commencing with flight EK448 from the lifting of the suspension on travellers from India.  
**Agree** / Disagree
- v **Note** while facilities used at any given time for highest risk groups would not accommodate other cohorts, they would not be ‘dedicated’ facilities, instead rotating into the general pool depending on demand for rooms.  
*Noted*
- w **Note** that there are commercial and workforce associated sensitivities associated with placing highest risk flights into facilities and these would be worked through with the eight facilities involved.  
*Noted*
- x **Note** that MIQ may need to take steps to reduce voucher availability from the time the travel suspension is lifted in order to manage the number of people arriving on EK448 in order to ensure that MIQ can manage ‘sub-cohorting’ within safe operating parameters.  
*Noted*



- y **Note** that MIQ has been directed by Cabinet to report back to you within two months of the implementation of the QFTZ with further analysis and recommendations on the MIQ network to ensure it is fit for purpose, and we will do so by 18 June 2021.

*Noted*

*Quarantine capacity*

- z **Note** the increase in arrivals from high risk countries post-QFT is likely to result in an increase in positive COVID-19 cases in MIQ, unless there is an extended suspension of flights from India or other highest-risk countries where a large number of cases originate.

*Noted*

- aa **Note** the Ministry of Health has advised that the current quarantine capacity at the Jet Park Auckland is sufficient for a modest increase in cases while still leaving a buffer for community cases, but a large influx of cases would require additional quarantine capacity.

*Noted*

- bb **Note** if we were to need additional quarantine capacity, transitioning a managed isolation facility to a quarantine facility would require:

- i. agreement by the hotel to be used as a quarantine facility (some, but not all, hotels have agreed to this in current renegotiations)
- ii. scaling up the health care staff including requiring two General Practitioners (noting there are regions where this may not be possible)
- iii. increasing MIQ operational staff.

*Noted*

- cc **Note** standing up additional quarantine capacity in a facility with prior hotel agreement would take 2 - 4 days, and we consider that this quick turnaround reduces the need to stand up additional capacity in advance of a significant increase in positive cases arriving at the border.

*Noted*

- dd **Note** we will therefore maintain the current quarantine capacity across MIQ facilities, and report back to you by the end of April on at what level of increased quarantine utilisation we would need to initiate transitioning all or part of a standard isolation facility to a quarantine facility.

*Noted*

**[Commercially sensitive]** *Wellington logistical challenges and overall suitability for MIQ*

- ee **Note** that the requirement for physical 'red' and 'green' zone separation at passenger terminals means that the current shared arrangement at the NZDF Rongotai Air Movements terminal, which utilises slots and cleaning in between NZDF and MIQ movements, cannot continue beyond Monday 19 April (unless the requirement is lifted).

*Noted*

- ff **Agree** to take an oral item to Cabinet on Monday 19 April seeking an exemption for the NZDF Air Movements Terminal from the requirement for hard separation of red/green flight arrivals and instead continue current infection prevention controls.

**Agree** Disagree

- gg **Note** that if an exemption is approved the NZDF Air Movements Terminal will continue to be audited against the required IPC protocols.

*Noted*

- hh **Note** that even with an exemption from the hard separation requirements, there are a number of challenges involved in the current operation of Wellington MIQ facilities that may mean it is not a viable or cost-effective long-term option (see **Annex Two** for more detail), including:
- i. Wellington International Airport will not allow MIQ to use its passenger terminal or baggage handling facilities under any circumstances
  - ii. passenger processing facilities at the NZDF Rongotai Air Movements terminal limit the number of people who can be processed per flight in a safe and timely manner to approximately 60
  - iii. difficulties with continuing a safe, reliable and cost-effective coach service to transfer returnees to the facilities
  - iv. facility limitations, including:
    - a. limited capacity of the Bay Plaza and Grand Mercure (152 rooms total)
    - b. Commercial information
  - v. the lack of suitable and / or willing hotels to be added to the MIQ portfolio in Wellington.

*Noted*

- ii **Note** that if plans to bring forward future cohorts of RSE workers from July to June are not confirmed by 30 April 2021 then we provide you with further advice about decommissioning the two Wellington MIQs.

*Noted*

- jj **Note** that where we terminate a contact with an MIQ facility for our own convenience a 90 day notice period is required, which would mean Wellington facilities would be decommissioned by the end of July (at the earliest).

*Noted*

*Implications of QFT for hotel contracts and the broader MIQ network*

- kk **Note** MBIE-MIQ will operationalise the 500 room reduction of operational capacity by reducing capacity at facilities to a maximum of 80 per cent (not including those with outstanding IPC issues to be resolved), with a 16-day rotating contingency of the rooms in several hotels at any given time to accommodate urgent need (e.g. planes in the air after a pause in QFT).

*Noted*

- ll **[Commercially sensitive] Note** that full operationalisation of the targeted reduction will be subject to decisions arising from the ongoing investigations into the Grand Mercure (Auckland) and Grand Millennium and decisions yet to be taken about whether they are fit for purpose for continued use as MIQ facilities.

*Noted*

- mm **Note** this should reduce the likelihood of staff redundancies at hotels, and we will continue to work closely with each hotel to ensure this is the case.

*Noted*

- nn **Note** that we are working with facilities to fast track and condense the hotel maintenance work for completion by the end of June (previously end of September) in order to free up capacity for anticipated high demand July - September.

*Noted*

oo **[Commercially sensitive] Note** that the Ramada Auckland has been used as a facility for '501' (deportee) flights from Australia and that the last cohort of deportees is due to depart the Ramada on 14 April.

*Noted*

pp **[Commercially sensitive] Note** we are exploring to use the Ramada Auckland as additional accommodation for nursing or defence staff, but that if this is not required we will decommission that facility.

*Noted*



Megan Main  
**Deputy Secretary**  
Managed Isolation and Quarantine, MBIE



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

14 / 4 / 2021

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## Background

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1. On 6 April 2021, the Government announced that quarantine-free travel (QFT) with Australia would commence from 19 April. Under QFT arrangements, people arriving from Australia who spent at least 14-days pre-departure in Australia will be able to enter New Zealand without undergoing a 14-day stay in MIQ.
2. Travellers from Australia who had booked vouchers on the Managed Isolation Allocation System (MIAS) for dates after 19 April will no longer need a voucher, and MIQ space will therefore be available for travellers from other ports of origin. However, given the higher COVID-19 risk profile of travellers from countries other than Australia, there will be an increase in the concentration of high risk arrivals in MIQ facilities.
3. The higher concentration of high risk returnees has a number of implications for MIQ. This paper sets out these issues, and our proposed approach to address them, in three sections:
  - a. **Pre-arrival risk management:** proposed approach to voucher releases, cancellations and MIQ operational capacity.
  - b. **Post-arrival risk management:** proposed approach to transitioning to cohorting of facilities, appropriateness of current quarantine capacity, and what the changing risk profile means for Wellington as an MIQ location.
  - c. **Impact of QFT on the MIQ network:** likely impacts of QFT and any additional measures taken on commercial arrangements with hotels and the broader MIQ network, including staffing impacts and the commissioning or decommissioning of facilities.

## Pre-arrival risk management: we will take a conservative approach to re-releasing cancelled vouchers in MIAS

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4. On 6 April, you agreed to a targeted occupancy reduction of 500 rooms across all MIQ facilities to manage the increased risk profile of returnees [briefing 2021-3128 refers]. You also agreed that the remaining rooms 'freed up' by QFT be made available on MIAS for April - June, and 200 used for Group Allocations in July, but noted this was subject to the suitability of current MIQ facilities for a higher concentration of higher risk returnees.
5. We are currently undergoing a ventilation review across all MIQ facilities to determine whether they are fit-for-purpose, based on the most up-to-date public health and operational requirements. These on-site assessments are currently underway, will cover all 32 facilities, and are due to be completed by the end of May (noting that all facilities have undergone desktop assessments, and some have already completed on-site assessments). We have attached a table outline the current known issues with all facilities, and next steps being progressed [**Annex One**].
6. 

Confidential advice to Government

Confidential advice to Government

This will reduce available capacity by 600 rooms, and although we currently have sufficient contingency and unused capacity to manage incoming arrivals, this will have implications on how many new bookings we can accommodate on MIAS (particularly considering operational changes outlined below, such as cohorting and maintenance).
7. We will not have a complete understanding of the suitability of all facilities to cope with the expected higher risk profile of returnees in a post-QFT setting until the ventilation review is complete. If any further issues are raised during the ventilation review and require urgent response, we will implement solutions where possible using available contingency.

8. As a result, we will take a conservative approach to releasing and re-releasing vouchers into MIAS to ensure we have capacity to make the required operational changes in the coming weeks.

**We recommend that you agree for MIQ to cancel the remaining MIAS vouchers for post-QFT travel originating from Australia**

9. After the announcement on 6 April of QFT with Australia commencing 19 April, MIQ officials implemented a technical change on MIAS to prevent people travelling from Australia from booking vouchers online (as they will not be required).
10. Based on behaviour to date, we know that many holders of MIQ vouchers who are travelling from Australia will not proactively cancel their vouchers. Currently, 441 vouchers have been cancelled by people who were due to travel from Australia since 6 April (with an additional 394 freed up by people who intended to travel from India in the coming weeks).
11. There are still approximately 4,100 rooms booked on MIAS by travellers who listed Australia as their point of origin who are scheduled to arrive before June. None of these travellers (after 19 April) will be in transit, as airlines will no longer operate 'red' flights from Australia to New Zealand after QFT commences. If vouchers held by these travellers are not cancelled, or are cancelled at very short notice, then those places in MIQ will not be filled by other travellers who are still required to complete an MIQ stay as part of entering New Zealand.
12. We therefore propose to proactively cancel all vouchers held by travellers who have identified Australia as their country of origin. After allowing for allocations to the additional 500 room hold back, the additional 200 spaces for group allocations in July, and other operational considerations (e.g. 'sub cohorting' of EK448), we will release remaining vouchers (if any) back into MIAS.
13. Information will be published on our website and travellers emailed and notified that their vouchers have been or will be cancelled due to the implementation of QFT.

*Demand pipeline (groups)*

14. You have received advice on group allocations from June to October, advising that we increase the size of the group allocation to 500 rooms per fortnight [2021-3123 refers]. The demand for group travel remains high over the winter, and by increasing the group allocation over those, we can keep room utilisation at a higher level while also accommodating Ministers' priority group arrivals.
15. The majority of group allocation requests are from groups travelling from high-risk countries, such as returning athletes from the Olympics. The primary group from low-risk countries will be RSE workers, however due to their complex needs and higher non-COVID health requirements, they remain resource-intensive for MIF and health workforce to manage. We are also working with relevant agencies to identify whether there are any opportunities to bring in cohorts of RSE and/or international students in June.
16. We will provide you with further joint advice (with Ministry for Primary Industries) on the use of freed up capacity for RSE workers later this week.

**Post-arrival risk management: cohorting, quarantine and Wellington MIQ**

17. All MIQs currently operate in a Level 4 environment with significant obligations and restrictions on movement. These are all based on public health advice and include:
  - a. day 0/1 testing for arrivals from anywhere other than Australia and Pacific Islands
  - b. room restrictions until a negative Day 0/1 test has been received



- c. tests around Day 3 and Day 12 for all returnees
- d. cohort arrangements for all exercise and smoking movements
- e. physical distancing and level 4 infection prevention control protocols.

### **We recommend transitioning to cohorting all arrivals into MIQ**

18. MIQ previously briefed you on options for transitioning to cohorting arrangements for all returnees (where a cohort is defined as people arriving in New Zealand within the same 96 hour period) [briefing 2021-2195 refers].
19. At that time the decision was taken to implement cohorting for all exercise and smoking movements. However, cohorting at a facility level was not recommended due to the estimated 10-15% impact on operational efficiency at a time when demand for MIQ spaces significantly outstripped availability.
20. The commencement of QFT with Australia on 19 April provides the best possible opportunity to move to cohorting at a facility level. We estimate that approximately 30% of MIQ spaces will be freed up (1000-1300 rooms a fortnight) by the implementation of QFT. Taking into account the 500 rooms being held back, a 10-15% decrease in operational efficiency, and the recent developments with the Grand Mercure and Grand Millennium (Auckland) we estimate that this will use almost all of the freed up capacity by the QFTZ.
21. However, since the announcement of QFT there has been a significant decrease in applications for an Emergency Allocation, dropping from an average of over 150 a week in early 2021 to less than ten last week. Un-allocated emergency vouchers are also released regularly back into MIAS for general use.

#### *Implementation*

22. The transition period required to move MIQ facilities into cohorting arrangements is 2 - 4 weeks, as this will involve emptying out and then 're-stacking' facilities with cohorted arrivals. However, we will not be able to commence implementation of cohorting for all arrivals until we have clarity on the ongoing use of both the Grand Millennium and Grand Mercure (Auckland).
23. There are a small number of facilities used for special purposes that will be excluded from cohorting (e.g. short stay MIF for maritime and air crew, unaccompanied minors, diplomats, people with complex medical needs). In addition, there may be emergencies where we are required to allow people to move into or between facilities outside of regular cohorting arrangements (e.g. exemptions).

#### *Separate cohorting for the 'highest risk' arrivals*

24. You have also requested advice on whether it is operationally possible to implement specific arrangements for arrivals from designated highest risk routes or flights. If you agree, we could also operate a 'sub-cohorting' arrangement for arrivals on flights or routes designated 'highest risk' by the Ministry of Health.
25. This would involve allocating the most appropriate eight Auckland MIQ facilities to these flights or travel routes, and would mean that these facilities would only be used by cohorts from those designated flights / routes. There are a range of variations this could take depending on flight size and operational requirements. For example, a highest risk flight could be split across two allocated MIQ facilities, or two flights may go into one allocated facility two days apart. However, a maximum cohort time of 96 hours would be strictly applied and, wherever possible would be shorter (ie 48 or 72 hours).
26. We have been working with the Department of Prime Minister and Cabinet on advice on the current suspension of travellers from India. We could commence cohorting of arrivals on



flight EK448 into the most appropriate facilities in Auckland from the time that the suspension on travel is lifted. As it would apply to a smaller number of facilities, this could be ready to be commenced from 28 April even with the impact of the Grand Millennium and Grand Mercure (Auckland).

27. In practice, this means we will roll out cohorting in a staged approach: highest risk arrivals first across eight facilities, then all other arrivals once we have certainty on the suitability of the Grand Millennium and Grand Mercure (Auckland).
28. Due to commercial and workforce sensitivities around the highest risk flights/routes, these eight facilities would operate on a rotational basis (i.e. no facility will be 'dedicated' to only the highest risk flights). Where a flight or route is added or removed from the "highest risk" classification, the general MIQ cohorting system would apply and we would adjust the allocation of specific facilities as required.

#### *Workforce implications*

29. The Ministry of Health are supportive in principle of moving to cohorting, as it removes the risk of any intra-facility transmission between returnees at significant different points in their stay and therefore the risk of someone going into the community with COVID-19 undetected.
30. However, there are workforce implications of cohorting. In particular, extra pressure is put on the health workforce as a change from people entering MIQFs over a 14 day period to four days challenges for testing in particular (i.e. everyone needing to be tested at the same time, rather than spread out evenly across 14 days).
31. Detailed implications are currently being worked through with the Ministry of Health and frontline clinical leaders. We understand that MIQ being in a position to provide in advance forecast planning of flight arrivals and placements of returnees into facilities will be key to the ability to be able to roster and deploy health staff effectively and efficiently.
32. There will also be broader workforce implications of moving to cohorting, in particular a move to allocating highest risk flights / routes to specific facilities. This is because additional IPC requirements apply where a person is a close contact or symptomatic (e.g. requiring staff to wear full PPE when escorting a person to a smoking or exercise area). If you agree to the cohorting arrangement, MIQ will work to adjust operational resourcing as required to ensure safe operating parameters are maintained.

#### **Current quarantine capacity is currently fit-for-purpose, but can be scaled up at short notice**

33. With the increase in higher risk arrivals, we anticipate the number of cases of COVID-19 at the border to also increase (although though this depends on the Government's response to high risk travel routes).
34. Increasing quarantine capacity without a corresponding increase in the number of positive cases or close contacts would result in a significant number empty rooms, noting that utilisation of current quarantine capacity is consistently below 50 per cent. A minor increase in quarantine capacity in Auckland (or significant increase in other regions) would also be likely reduce overall MIQ operational capacity due to workforce constraints.
35. The Ministry of Health has advised that current quarantine capacity is sufficient for a modest increase in cases while still leaving a buffer for community cases, but a large influx of cases or large community outbreak would require additional quarantine capacity.

#### *What it would take to increase quarantine capacity*

36. Transitioning a managed isolation facility to a managed quarantine facility requires:

- a. agreement by the hotel to be used as a quarantine facility (some, but not all, hotels have agreed to this in current renegotiations)
  - b. scaling up the health care staff including requiring two General Practitioners (noting there are regions where this may not be possible)
  - c. increasing MIQ operational staff.
37. Of the factors above, the most likely to determine where a facility could be stood up is the health workforce requirement (as well as prior agreement with hotels), but it is difficult to forecast exactly how many staff would be required as this will depend on:
- a. the number and frequency of positive cases (not just room capacity)
  - b. the severity of illness of positive cases, who may require additional care.
38. Standing up additional quarantine capacity in a facility with prior hotel agreement would likely take 2 - 4 days, and we consider that this quick turnaround reduces the need to stand up additional capacity in advance of a significant increase in positive cases arriving at the border.
39. We will therefore maintain the current quarantine capacity across MIQ facilities, and report back to you next week on:
- a. at what level of increased quarantine utilisation we would need to initiate transitioning (all or part of) a standard isolation facility to a quarantine facility
  - b. how this would impact the local health workforce and the overall MIQ capacity.

### **Wellington MIQ is not currently suitable to manage higher-risk returnees**

40. MIQ facilities in Wellington are currently used to accommodate low-risk arrivals from Australia. There are a number of operational challenges we currently experience, and these will be exacerbated by QFT and the resulting risk profile of returnees. The attached table at **Annex Two** sets out these issues in detail.
41. Key challenges we are aware of include:
- a. Wellington International Airport will not allow MIQ to use its passenger terminal or baggage handling facilities under any circumstances. This means that the NZDF Rongotai Air Movements terminal currently being used is the only option for processing returnees.
  - b. Once QFT commences, the requirement for physical 'red' and 'green' zone separation at passenger terminals will mean that the current shared arrangement at the NZDF Rongotai Air Movements terminal (the NZDF terminal) cannot continue (unless an exemption from this requirement is granted). NZDF has advised that the loss or restriction of use for NZDF of the terminal would be highly undesirable, not just for regular/scheduled NZDF air movements, but also for the facilitation of movement of NZDF and other agency resources in the event of contingencies. This can vary from small scale responses (e.g. movement of Police National Dive Squad) to larger events (e.g. movement of FENZ, NZDF, and other services/agencies during large scale civil defence emergencies).
  - c. Passenger processing facilities at the NZDF terminal limit the number of people who can be processed per flight in a safe and timely manner to approximately 60. This limitation in turn affects how many people can arrive on flights, and the cost effectiveness of doing so (\$746 per person for transfers to Wellington, compared to \$344 per person for transfers to Christchurch).



- d. Difficulties with continuing a safe, reliable and cost-effective coach service to transfer returnees to the facilities, in addition to limitations at the facilities themselves in unloading baggage from the coaches. There is also little redundancy in case of coach breakdown or driver unavailability.
  - e. Facility limitations, including:
    - i. limited capacity of the Bay Plaza and Grand Mercure (152 rooms total)
    - ii. Commercial information
  - f. There is a lack of suitable and / or willing hotels to be added to the MIQ portfolio in Wellington.
42. While there are many operational challenges to MIQ in Wellington, there is an upside as the health workforce in Wellington is one of the least-utilised across the country (particularly compared to Auckland, where the workforce is under considerable strain).

**An exemption to the physical separation of red / green zones is required to continue sharing the NZDF terminal in Wellington**

- 43. As outlined at para 35b above, requirements for a hard separation between ‘red’ and ‘green’ flights would mean that the NZDF Rongotai could not continue to be used for both NZDF and MIQ purposes.
- 44. Due to the unique arrangements at this terminal, we believe there is a case for seeking an exemption to the hard separation requirement:
  - a. It is not a public terminal, therefore there are no members of the public and only necessary terminal personnel present (no café staff etc).
  - b. It has very few scheduled air movements (1-2 per day, with a maximum of 1-2 MIQ transfers per week).
  - c. Infection and protection controls are currently managed via scheduling and cleaning between arrival slots. Due to the low number of arrivals, this is possible in a way that it would not be at a commercial terminal.
- 45. Without an exemption, we would need to decommission Wellington as a location for MIQ.

**Using Wellington for low risk RSE workers would not eliminate operational challenges**

- 46. RSE workers will be entering New Zealand from low-risk countries, so could be considered to go into Wellington. However the first group of RSE workers will not be ready to enter New Zealand until mid-July, meaning MIQ facilities would likely be underutilised until this point. Work is underway with Immigration and MPI colleagues to look at moving this forward, however MIQ will require six to eight weeks lead-in time at a minimum, making entry before June unfeasible.
- 47. Should Cabinet be willing to grant an exemption to hard separation requirements for the NZDF Rongotai Air Movements terminal, current processing limitations of 60 people would continue to apply, restricting the possible cohort size of RSE arrivals to less than half the 150 we have been advised by the sector is the minimum commercially viable option. Further engagement with the sector is necessary to see if a solution could be arrived at (for instance increasing the frequency of arrivals to every 8 days instead of every 16 days).



48. International students have been mooted as another potential group that could use Wellington MIQ facilities. Cohorts of international students will be arriving from China, however, which is classified as a high-risk country. Due to the documented ventilation issues with the Bay Plaza, the facility could only be filled to half capacity if occupied by these students (38 rooms).
49. Ongoing underutilisation of Wellington facilities would reduce the benefit to the hotels of continuing their contracts with MIQ, as empty rooms are paid at a lower rate than occupied rooms. It poses a risk of staff redundancies or general attrition due to the lighter workload. These factors could lead to the facilities to ending their contracts with MIQ.
50. If a solution to utilising Wellington is not found by the end of April, we will provide you with further advice on decommissioning Wellington MIQ.

## **Impact of QFT on the MIQ network**

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51. As previously advised, the removal of 500 rooms from operational capacity will have implications for our commercial arrangements with hotels because they are paid a lower rate for unoccupied rooms. In addition, reduced demand in the short-term means that we will likely have further reduced occupancy in April – June. The overall reduction in MIQ occupancy over the coming weeks will therefore have significant commercial implications for hotels.

## **We will operationalise the 500 room reduction by filling facilities up to 80% capacity and rotating a contingency in turns across facilities**

52. We intend to fill facilities at 80% capacity (not including those with pre-existing concerns around ventilation or other IPC issues), and rotate a larger contingency of empty rooms across each facility in 16-day cycles to ensure capacity to accommodate urgent demand at any given time (e.g. planes in the air due to a pause in QFT).
53. In addition, we are working with facilities to fast track and condense the hotel maintenance work for completion by the end of June (previously end of September). However, this will be subject to the ongoing availability of the Pullman, Grand Millennium, and Grand Mercure (Auckland).
54. These measures should reduce the commercial impact on hotels of the 500 room reduction. This in turn will reduce the likelihood of hotel staff redundancies, and we will work closely with hotels to ensure this is the case.

### ***[Commercially sensitive] Ramada Auckland***

55. The Ramada Auckland has been used as a facility for '501' (deportee) flights from Australia and that the last cohort of deportees is due to depart the Ramada on Thursday, 14 April. We are exploring to use the Ramada Auckland as additional accommodation for nursing or defence staff, but that if this is not required we will decommission that facility.
56. Any further changes to the current portfolio of MIQ facilities will be included in our full review of the MIQ network due within two months of QFT, as previously advised [briefing 2021-3128 refers].

## **Annexes**

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Annex One: Managed Isolation and Quarantine Facilities: issues and next steps

Annex Two: Wellington MIQ operational challenges

## **Annex One: Managed Isolation and Quarantine Facilities: issues and next steps**





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MIQ facilities	Known pressures or issues	Next steps
Ramada	Currently used for '501' deportees from Australia and deportees from other countries. With QFT the need for the Ramada is diminished significantly but we still need to consider options for handling other deportees as all hotels have signalled that they won't accept them	<ul style="list-style-type: none"> <li>Investigate options for where non Australian deportees can be placed</li> <li>Once options for handling deportees developed then either decommission facility or use for alternative purposes</li> </ul>
Wellington facilities: Bay Plaza and Grand Mercure	Bay Plaza - Concerns about ventilation systems identified in the desktop review that was undertaken. Bay Plaza MIQ is currently used for returnees from low risk countries and has reduced occupancy Domestic transfers required by aircraft to bring returnees to Wellington through the NZDF terminal which has limited facilities (as Wellington airport indicated they will not accept flights that use its terminal or baggage facilities).	<ul style="list-style-type: none"> <li>Either Ministers agree to decommission all Wellington MIQ facilities and explore options to stand up facilities elsewhere OR</li> <li>Officials to prepare advice on options for use of Bay Plaza including use for low risk cohorts (including Recognised Seasonal Employer workers), and options to facilitate the transfers of returnees from aircraft</li> </ul>
Pullman	Concerns about ventilation systems identified in the review. Significant work underway to upgrade ventilation and air conditioning systems. Hotel only occupied to 50% capacity with returnees from low risk countries (Australia and Pacific Island states)	<ul style="list-style-type: none"> <li>Upgrades underway at present</li> <li>Facility to be used by returnees from high risk countries when upgrade completed</li> </ul>
Grand Millennium	Three recent cases of COVID-19 transmission connected to the facility. Reviews into causes underway.	<ul style="list-style-type: none"> <li>Joint MBIE/MOH incident review is underway for each site.</li> <li>Technical advisory group will meet to discuss the Grand Millennium</li> </ul>
Grand Mercure (Auckland)	Concern regarding the air conditioning system as a potential pathway for COVID-19 aerosol spread. Pause on new occupants while testing is underway.	<ul style="list-style-type: none"> <li>Results of ventilation tests due 15 April for analysis.</li> <li>Following analysis, MBIE/MOH will determine appropriate actions/risk mitigations</li> </ul>
Four Points by Sheraton, Grand Mercure Auckland, Rydges Auckland, SO Auckland	These four facilities lack onsite exercise areas and there are resulting logistical and operational challenges involved in providing transfers to outdoor facilities where these can be provided	<ul style="list-style-type: none"> <li>Incident review is looking at the challenges associated with busing returnees offsite for exercise and options to address these challenges</li> </ul>
All facilities	Reviews into the ventilation systems at MIQ facilities is ongoing	<ul style="list-style-type: none"> <li>Reviews to be completed by end May</li> <li>Progress of the reviews, including findings to outlined in fortnight Aide Memoire to the Minister</li> </ul>



## **Annex Two: Wellington MIQ operational challenges**

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AIR CHARTER AKL TO WLG	ARRIVAL AT WLG AIRPORT	COACH JOURNEY TO MIFS	GUEST STAY AT MIFS
 <ul style="list-style-type: none"> <li>MIQ operates 1 – 2 charter transfers per week to WLG</li> <li>A320 aircraft can fit approx. 117 pax socially distanced (170 seats).</li> <li>However due to capacity constraints we typically fly with only 60 to WLG, so the plane is at best a third full. Disembarking a plane with more than 60 pax is a considerable logistical challenge at WLG.</li> <li>Assuming 60 pax load, the cost to send returnees to WLG is \$746 per person. For comparison, we can get up to 130 pax to CHC for a per person cost of \$344.</li> <li>At the end of their stay, guests are flown back to AKL on commercial flights. If you conservatively assume \$200 per ticket, the cost could be \$40,000 a fortnight.</li> <li>The total per head cost of flying guests to WLG MIFs is essentially \$1000 per person return.</li> </ul>	 <ul style="list-style-type: none"> <li>Wellington Airport <u>will not</u> allow MIQ to use its passenger terminal or baggage handling facilities under any circumstances. Furthermore, the WLG airport runway closes at 10:00pm, narrowing our operating window for transferring arriving international flights from AKL.</li> <li>Both of the above already make WLG logistically difficult to operate at.</li> <li>MIQ currently uses the RNZAF Air Movements facility to receive charter flights. It has a capacity of 60 pax for MIQ transfers due to available space and ventilation</li> <li>Air Movements needs to continue receiving NZDF flights and remain a 'green' terminal. MIQ flights are 'red' and will relocate.</li> <li>There are no other facilities at WLG to process MIQ passengers and their baggage.</li> </ul>	 <ul style="list-style-type: none"> <li>Johnston's Coachlines are MIQ's national provider of coach transfers from airports to MIFs. IPC and airport access requirements limit the available pool of vehicles and drivers willing to drive them.</li> <li>They have had considerable difficulty getting a reliable and cost effective transfer service in WLG.</li> <li>They replaced local providers a month ago and now have a bus and driver permanently stationed in WLG for MIQ use, including relief drivers if required.</li> <li>The infrequency of MIQ flights to WLG (1-2 per week) means that the coach and driver are hugely underutilised. There is also little redundancy in case of breakdown or driver unavailability.</li> <li>The WLG MIFs are difficult for the coaches to access and offload passengers and baggage. They manage it but it is far from ideal.</li> </ul>	 <ul style="list-style-type: none"> <li>With only two moderately sized MIFs (Bay Plaza and Mercure), WLG does not have the scale required to move large amounts of people to MIFs efficiently.</li> <li>The WLG MIFs have limited room and common area capacity for accommodating processing passengers.</li> <li>To date they have almost exclusively had low risk returnees from AU, especially the Bay Plaza.</li> <li>If high risk returnees are to be transferred to WLG, the MIFs will need to enhance their quarantine capacity. The likelihood of positive cases and requirement for DHB assistance would almost certainly increase.</li> <li>Any future increase in MIF capacity (i.e. opening a new hotel) would still face the same air charter, airport and coach logistical challenges.</li> </ul>
RELATIVE RATING SCALE			
AMBER	RED	AMBER	AMBER
<p>Charter flights to WLG are possible to operate but are very expensive relative to any other MIQ region. For reference, flights to CHC would be rated Green.</p>	<p>The green/red terminal split requirement means that urgent solutions are required in order to continue receiving MIQ passengers at WLG airport.</p> <p>Even if a waiver was possible, this would still be a red/amber due to Air Movements capacity constraints.</p>	<p>Amber due to the effort required to maintain a coach presence in WLG. For reference, all other regions would be rated Green.</p>	<p>Amber due to the inherent capacity limitations in WLG MIFs.</p> <p>In a post-AU guest QFT world this may change to Red due to the increased complexities of hosting high risk guests in the WLG MIFs. Not my specific area though.</p>