



BRIEFING

Allocation options for upcoming period of very high demand

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

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Note work underway and forthcoming advice on allocating spaces in MIQ Indicate whether officials should progress work on any of the options canvassed	30 August 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	Manager, Allocation and Supply, MIQ Policy		✓
	Advisor, Allocation and Supply, MIQ Policy		

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



BRIEFING

Allocation options for upcoming period of very high demand

Date:	25 August 2021	Priority:	High
Security classification:		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. full prioritisation of all MIQ spaces (**not recommended**).

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

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Hon Chris Hipkins
Minister for COVID-19 Response

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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

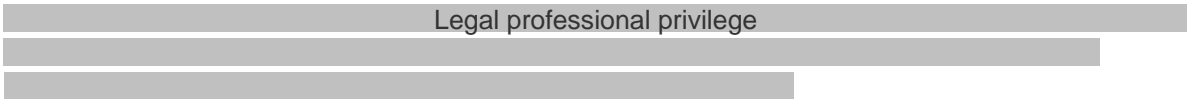
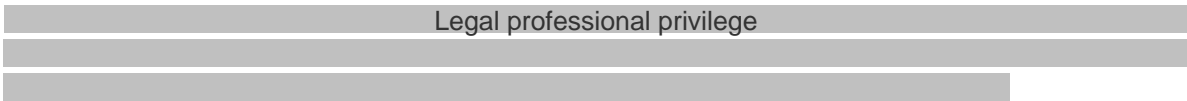
7. There has been some public criticism of the MIAS system, and the allocation system more broadly, due to the lack of prioritisation for those that have been away from New Zealand for an extended period of time.
8. Because MIAS is a 'first come, first served' system, there is no consideration taken 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.  Legal professional privilege
15.  Legal professional privilege
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.

Option 3 - Manual prioritisation for all bookings (not recommended)

27. The prioritisation, and manual allocation, of all vouchers would be very resource intensive. This would require likely hundreds of dedicated staff and would slow down the booking process significantly – instead of instant booking when a voucher is available online,

applicants would have to complete some kind of application form and wait for their application to be assessed.

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. Full prioritisation would therefore require a high level of subjective judgement calls and forcing comparisons of very different applications. It could be very difficult to determine appropriate prioritisation and would likely decrease the transparency of our processes. We anticipate this would take at least six months to operationalise and so is not a viable option for the summer high demand period.

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. Officials do not recommend **Option 3** (manual prioritisation for all bookings), as it would have extremely high resourcing implications, take at least six months to operationalise, and require an unavoidably high level of subjective judgement calls.

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.