



BRIEFING

Further advice on potential new Rotorua MIQ facility

Date:	23 September 2021	Priority:	High
Security classification:		Tracking number:	2122-1125

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Agree not to progress with the establishment of additional managed isolation facilities in Rotorua. Agree that officials do not undertake any further work on identifying any additional hotels to add to the MIQ network.	27 September 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	Principal Advisor, MIQ Policy		

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 Withdrawn |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



BRIEFING

Further advice on potential new Rotorua MIQ facility

Date:	23 September 2021	Priority:	High
Security classification:		Tracking number:	2122-1125

Purpose

This briefing:

- provides you with an update on the scoping work undertaken on the possible establishment of a new managed isolation facility in Rotorua;
- seeks your agreement to not progress bringing online an additional Rotorua MIQ facility, given community feedback and wider health workforce constraints in the region; and
- seeks your agreement that officials do not undertake any further work on identifying any additional hotels to add to the MIQ network.

Recommended action

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

- a **Note** the health workforce continues to present a considerable challenge to the establishment of additional managed isolation facilities in Rotorua. *Noted*
- b **Note** that [REDACTED] Commercial activities & information [REDACTED]. *Noted*
- c **Note** that MBIE officials have continued to engage with iwi and local stakeholders, and they remain strongly opposed to the establishment of a new MIQ facility in Rotorua. *Noted*
- d **Agree** to not progress work on the establishment of a managed isolation facility in Rotorua given stakeholder concerns and ongoing health workforce constraints. *Agree / Disagree*
- e **Agree** that officials do not undertake any further work on identifying any additional hotels to add to the MIQ network. *Agree / Disagree / Discuss*

Proactive release

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

Agree / Disagree



Kara Isaac
**General Manager, MIQ Policy
MBIE**

23/09/2021



Hon Chris Hipkins
Minister for COVID-19 Response

27/9/21
...../...../.....

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 and local workforce availability.
3. On 31 August 2021 [2122-0586 refers] you agreed to progress commissioning additional facilities: one in Christchurch and one in Rotorua. You also asked to see a plan to relieve the pressure and risk areas for the potential Rotorua workforce.
4. On 10 September 2021 [2122-0884 refers] we provided you a Cabinet paper seeking funding to bring online the Elms Hotel in Christchurch as a MIQ facility until Commercial activities & negotiations This paper will be considered by Cabinet on 27 September.

Rotorua workforce

5. We have further assessed the potential Rotorua workforce to identify options and a plan that could relieve pressure and risk areas.

MIQ workforce

6. MBIE is confident that we can resource the facility with the required management and security staff. For the security staff, a blend of direct recruited MBIE staff and First Security would be used.
7. It is estimated that 7 management and 56 security staff would be required to staff the facility over a 24 hour period.

Health workforce

8. Officials from the Ministry of Health have engaged with Lakes DHB on options to provide health staff for a possible new managed isolation facility in Rotorua. Lakes DHB have reiterated that staffing a new facility would come at the cost of existing health services in the region, and that they continue to hold a number of vacancies, which they have not be able to fill. Officials were unable to identify any immediate action to resolve this constraint. Consideration was given to a 'fly in, fly out' workforce however this was deemed to be unsustainable in the medium to long term.

Ventilation assessment

9. Because of level 4 restrictions it was previously only possible to undertake a desktop assessment of the Commercial information ventilation system. Commercial activities & information
-

Iwi engagement

13. Iwi (Te Arawa) opposition to an additional MIQ facility in Rotorua has been consistent since MBIE's first engagement with them. Their concerns (along with other stakeholders) are:
 - 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; 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.
14. Additionally, when the Commercial information was identified locally as the potential facility, iwi have also expressed concerns as the proximity of the hotel to Whakarewarewa village and their marae.
15. You, alongside Minister Davis, met with Te Arawa on 17 September 2021, to discuss their concerns.

Rotorua recommendation

16. Given ongoing challenges with the health workforce in Rotorua, and iwi and local stakeholder feedback on the proposal, officials recommend you do not progress with the establishment of a new managed isolation facility in Rotorua.

Identifying further hotels to address current demand

17. We have previously advised that bringing online facilities outside of the current geographical footprint would place significant pressure on the MIQ system by requiring new transport

¹ Estimated remediation times are subject further work being discovered once remediated work has started.

routes and new staffing structures. This would also considerably extend the establishment time of any new facilities.

18. Both Auckland and Christchurch do not have the health workforce to support bringing online any further MIQ facilities to address current demand. Wellington has significant logistical challenges of transporting returnees and we have not identified any further hotels in Hamilton that would meet MIQ criteria.
19. Also, because of the time required to commission and bring online any new hotels, any new facility is likely not to be operational until at least the first quarter of 2022. By this time, the progress of the Reconnecting New Zealand Strategy could mean that bringing online any additional hotels is not warranted.
20. Therefore, officials seek your agreement to not undertake any further work on identifying any additional hotels to bring online to address the current demand on MIQ space.