



AIDE MEMOIRE

Draft Cabinet paper covering note: New Zealand's future quarantine and isolation capability

| | | | |
|---------------------------------|------------------|-------------------------|-----------|
| Date: | 18 November 2022 | Priority: | High |
| Security classification: | | Tracking number: | 2223-1873 |

| |
|--|
| Information for Minister |
| Hon Dr Ayesha Verrall Minister for COVID-19 Response |

| | | | |
|---|---------------------|----------------------------|--------------------|
| Contact for telephone discussion (if required) | | | |
| Name | Position | Telephone | 1st contact |
| Shayne Gray | GM, MIQ | Privacy of natural persons | |
| Privacy of natural persons | Policy Manager, MIQ | | ✓ |

| |
|---|
| 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 Withdrawn |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



AIDE MEMOIRE

Draft Cabinet paper covering note: New Zealand's future quarantine and isolation capability

| | | | |
|---------------------------------|------------------|-------------------------|-----------|
| Date: | 18 November 2022 | Priority: | High |
| Security classification: | In Confidence | Tracking number: | 2223-1873 |

Purpose

This aide memoire advises you of changes to the draft National Quarantine Capability Cabinet paper that the Ministry of Business, Innovation and Employment (MBIE) has made on your behalf, in response to feedback from the Minister of Finance during consultation on the previous version. The attached draft Cabinet paper at Appendix A seeks Cabinet decisions on the future of the National Quarantine Capability (NQC).

Shayne Gray
General Manager, MIQ
Labour, Science and Enterprise, MBIE
18 / 11 / 2022

The attached draft Cabinet paper responds to Ministerial feedback

1. You undertook Ministerial consultation on a previous version of the Cabinet paper New Zealand's future quarantine and isolation capability, which resulted in feedback from the Minister of Finance that we work to reduce the funding amount being sought. Following a subsequent discussion with the Minister of Finance, you:
 - a. directed MBIE to find ways to reduce the Cabinet paper funding request, which sat at \$11 million to progress options two and three (your preferred options); and
 - b. sought further advice from the COVID-19 Strategic Public Health Advisory Group (SPHAG) on the options being presented in the Cabinet paper.
2. On 16 November 2022, MBIE officials met with the Minister of Finance to discuss MBIE's cost pressure envelope for Budget 2023. In this meeting, the Minister of Finance asked MBIE to find efficiencies wherever possible within its work programme and look for alternative ways to fund initiatives. The recommended funding approach in the revised NQC Cabinet paper is consistent with both parts of this request.

The paper now recommends funding the preferred NQC option via a funding transfer from MBIE

3. MBIE officials advised you of different funding pathways to fund the NQC options [in briefing 2223-1754 and verbally]. You agreed that Cabinet would seek immediate funding for the chosen NQC option for financial years 2023/24 and 2024/25, and that this funding would be sought from forecast underspends in MBIE's Isolation and Quarantine Management Appropriation within Vote Building and Construction.
4. This appropriation ends on 30 June 2023, at which point the estimated \$22 million underspend is returned to the Crown. The attached draft Cabinet paper seeks Cabinet agreement to transfer a portion of the funding to fund the chosen NQC option and rescind a previous Cabinet decision to allow that transfer to happen [CAB-20-MIN-0511 refers].

The amount of funding (and FTE) sought in the paper has also been reduced

5. MBIE has worked through ways to reduce the funding request associated with each of the NQC options. This reduces the overall ask from \$11 million to \$7.4 million over two years, noting that this comes with some restrictions on the flexibility of the resource. The key reduction in funding comes from reducing the number of FTE associated with each option.

Feedback from health agencies and The Treasury

6. The Treasury supports the reduced funding and FTE amount for proposed transfer, but it would prefer to wait to transfer funding until after the detailed roadmap, outlining the transition of functions from MBIE to health agencies, is completed in February or March 2023. It has put a comment to this effect in the draft paper.
7. Health agencies are comfortable with the draft paper and have indicated a strong preference for option two. Te Whatu Ora has indicated that its board is unlikely to approve taking responsibility for the NQC without associated and adequate proposed funding.

Next steps

8. After receiving further feedback from you and/or from SPHAG, MBIE will revise the attached draft Cabinet paper for you to provide to your Ministerial colleagues for feedback between Thursday, 24 November 2022 – 30 November 2022.
9. MBIE suggests that you consult with the Minister of Finance and other colleagues as soon as possible on the final version that we will provide next week, so that we are able to factor any feedback into the Cabinet paper that we will lodge on Thursday 1 December 2022, for the Social Wellbeing Committee meeting on Wednesday 7 December 2022.

Annexes

Appendix A: Draft Cabinet paper: New Zealand's future quarantine and isolation capability

[NB: Draft Cabinet Paper not attached as per Free and Frank opinions and advice. Final Cabinet paper now published](#)