



BRIEFING

Update on MIQ capacity and proposed next lobby release

Date:	11 February 2022	Priority:	High
Security classification:		Tracking number:	2122-2647

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Agree to hold a lobby room release on either Wednesday, 16 February or Thursday, 17 February. Agree to options to increase quarantine capacity in February and March, if required	14 February 2022

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 Policy Advisor, MIQ Policy		

The following departments/agencies have been consulted

Minister's office to complete:

Approved

Declined

Noted

Needs change

Seen

Overtaken by Events

See Minister's Notes

Withdrawn

Comments



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Update on MIQ capacity and proposed next lobby release

Date:	11 February 2022	Priority:	High
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Purpose

This briefing seeks your agreement to:

- a. Hold a lobby room release next week on either 16 or 17 February; and
- b. Increase quarantine capacity in February and March, if required

Recommended action

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

- a. **Note** that we estimate demand for space in managed isolation will reduce by approximately 33% at Step 1 of Reconnecting New Zealanders with the World, and by approximately 95% at Step 2.
Noted
- b. **Note** that Emergency Allocation applications are already significantly declining, as they did when Quarantine-Free Travel with Australia was announced.
Noted
- c. **Note** that to date, 3,300 rooms have been released via the Managed Isolation Allocation System for March.
Noted
- d. **Note** that whilst most border arrivals after the commencement of Step 2 will be eligible to self-isolate under the medium-risk pathway, we expect that those who already hold vouchers will not cancel these due to the previous delay to RNZ, and concern about changing border settings.
Noted
- e. **Agree** to hold a lobby room release via the Managed Isolation Allocation System (MIAS) on either 16 or 17 February for:
 - a. 500 rooms in late February,
 - b. A minimum 1,500 rooms in March (with most rooms for between 1-13 March), and
 - c. 500 rooms in April.

Agree Disagree
- f. **Note** that this room release is conservative due to the possible conversion of a further managed isolation facility (MIF) to a quarantine facility in Auckland, the loss of Rydges Auckland (221 rooms) from the MIQ network at the end of March, and uncertainty regarding the timing of proposed changes to the length of MIQ stay from 10 to 7 days.

Noted

- g **Note** that we expect this room release will result in significant wastage of MIQ capacity in March, because rooms will likely be booked by people otherwise eligible to self-isolate under the medium-risk pathway.

Noted

- h **Note** that we have sought your agreement to a proposed group allocations package for March to May 2022 [BR-2122-2286 refers].

Noted

- i **Indicate** which of the following groups, if any, you consider should be allowed to enter MIQ in March after Step 2, despite otherwise being eligible to self-isolate under the medium-risk pathway:

- a. Antarctic workers (70 people, exact arrival dates to be confirmed – pending their approval as part of the March-May groups package) Yes No
- b. Cricket World Cup personnel (5 people, arriving 10, 12 and 18 March) Yes No
- c. Pacific cargo crew (20 people, arriving 13 March) Yes No
- d. Netherlands Men's Cricket Team (35 people, arriving 14 March) Yes No
- e. Paralympians (18 people, arriving 15 March – pending their approval as part of the March-May groups package) Yes No

- j **Note** that, at this time, we consider it appropriate that all refugees and most Afghanistan arrivals be allowed to continue to enter MIQ beyond the commencement of Step 2, despite potentially meeting eligibility requirements for the medium-risk pathway.

Noted

- k **Note** that current modelling suggests that quarantine capacity will be tight prior to the commencement of Step 2, due to a forecast increase in border and community cases who cannot safely self-isolate.

Noted

- l **Note** that we are no longer converting the Ibis Ellerslie from a quarantine facility to a MIF due to increasing pressure on quarantine capacity in Auckland, and reducing pressure on managed isolation capacity from Step 1.

Noted

m **Agree** to covert the Sudima Auckland Airport from a MIF to a quarantine facility, if necessary to accommodate forecast border and community cases.

Agree / Disagree

n **Note** that on 16 December 2021, you refrained from making decisions regarding the scaling down of the MIQ network (the 'moderate transition approach') due to uncertainty regarding the Omicron variant, until decisions had been made on the timing of RNZ [BR-2122-2192 refers].

Noted

o **Agree** to meet with officials to discuss next steps in the scaling down of MIQ.

Agree / Disagree

p **Agree** that this briefing be proactively released with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Kara Isaac
General Manager, MIQ Policy
MIQ, MBIE

11 / 02 / 2021



Hon Chris Hipkins
Minister for COVID-19 Response

12 / 02 / 2022

Context

1. On 1 February, Cabinet agreed that Step 1 of Reconnecting New Zealanders with the World (RNZ) will commence at 11.59 pm, Sunday 27 February, and that Step 2 will commence at 11:59 pm, Sunday 13 March [CAB-22-MIN-0008 refers].
2. At Step 1, fully vaccinated New Zealand citizens, residents, and people with border exceptions travelling from Australia become eligible to self-isolate under the medium-risk pathway (rather than enter MIQ). At Step 2, such people, travelling from the rest of the world, become eligible to do the same.
3. We estimate that demand for managed isolation will reduce by approximately 33% at Step 1, and by approximately 95% at Step 2. Emergency Allocation requests are already significantly declining, as they did when Quarantine-Free Travel with Australia was announced.
4. Whilst we expect to have additional managed isolation capacity from Step 1, current modelling suggests that quarantine capacity will be tight prior to the commencement of Step 2, due to an increase in border and community cases who cannot safely self-isolate (in Phase 1).
5. This briefing seeks your agreement to:
 - a. Options for utilising managed isolation capacity in March,
 - b. Options for increasing quarantine capacity in February and March (if needed), and
 - c. Hold a lobby room next week release on either 16 or 17 February.

We will have additional managed isolation capacity in March due to RNZ

We do not have a full picture of managed isolation demand for March

6. To date, 3,300 rooms have been released via the Managed Isolation Allocation System for March.
7. There are no planned arrivals (by way of MIAS bookings) from Australia after the commencement of Step 1, and before the commencement of Step 2 due to no red flights being scheduled from Australia in March.
8. The majority of planned March arrivals after the commencement of Step 2 (from Australia and the rest of the world) will be eligible to self-isolate under the medium-risk pathway, rather than enter MIQ. However, we expect that people who currently hold MIQ vouchers will not cancel them due to the previous delay to RNZ, and concern about changing border settings.

We propose holding a lobby release next week on 16 or 17 February

9. On 17 January, you agreed to postpone the MIQ room release scheduled for 20 January until decisions had been made on the timing of RNZ [BR-2122-2317 refers].
10. Given that decisions have now been made, we propose holding an MIQ room release via MIAS on 16 or 17 February for:
 - a. 500 rooms in late February,
 - b. A minimum 1,500 rooms in March (with most rooms available between 1-13 March), and
 - c. 500 rooms in April.

11. Releasing rooms for late February will ensure MIQ capacity is available to be used to its fullest before the introduction of Steps 1 and 2.
12. Releasing rooms for March and April provides opportunity for people who are eligible to self-isolate under the medium-risk pathway at Step 2 to travel to New Zealand in advance of Step 2 commencing if they wish to. It also provides opportunity for people who are permitted to travel to New Zealand, but are ineligible for the medium-risk pathway, to do so (ie unvaccinated New Zealand citizens).
13. The proposed March room release also accounts for the proposed conversion of another MIF to a quarantine facility in Auckland (if needed), if required (see 'quarantine' section of briefing), the loss of Rydges Auckland (221 rooms) from the MIQ network at the end of March, and uncertainty regarding the timing of proposed changes to length of managed isolation.
14. In separate advice, MOH has proposed that the length of managed isolation reduces from 10 to 7 days once New Zealand enters Phase Two of the Omicron response plan [HR-202220175 refers]. There will be additional managed isolation capacity for the period between Steps 1 and 2 if this change comes into effect before, or during, that period.
15. It is likely that this room release will result in significant room wastage, particularly after the commencement of Step 2:
 - a. We expect that many rooms will be booked by people who are not required to enter MIQ on that date (eg by eligible people travelling from Australia after February 27, or from the rest of the world after March 13), due to uncertainty regarding the previous delay to RNZ.
 - b. Citizens and their families who are permitted to travel to New Zealand, but are ineligible for the medium-risk pathway, may be successful in booking rooms, but unable to secure flights to New Zealand due to airlines' vaccination requirements.
 - c. People who become eligible to self-isolate under the medium-risk pathway at Step 1 or Step 2 will be exited from MIQ on that day (ie 28 February or 14 March) to self-isolate for the remainder of their isolation period. Accordingly, people who secure vouchers in the room release may be in MIQ for less than 10 days. These rooms may sit empty until the next planned infill.
16. It is also likely that 'wasted rooms' will be scattered across, not necessarily just within, MIFs. We will look to suspend cohorting in MIFs, as and where appropriate, to ameliorate further loss of rooms.

We could accommodate specific priority groups unable to procure self-isolation accommodation

Groups have expressed concern about procuring self-isolation accommodation in time

17. We have sought your agreement to a proposed group allocations package for March to May 2022 [BR-2122-2286 refers].
18. We have proposed to retain MIQ allocations in contingency for all group arrivals, at the request of government agencies (to provide certainty for these groups in the event border settings change). However, we also indicated that we would communicate our expectation that group arrivals self-isolate, where eligible under the medium-risk pathway, unless exceptional circumstances preclude them from doing so. We would therefore expect to cancel MIQ allocations reserved for group arrivals in March-May [BR-2122-2286 refers].
19. We have worked with MOH to ensure that self-isolation requirements are sufficiently flexible for groups arriving in New Zealand. However, these requirements, and associated guidance

materials, have not yet been published in full by MOH. Groups, therefore, are unclear as to what self-isolation requirements are (including training processes, as agreed in BR-2122-2097).

20. Moreover, many non-MIF hotels have indicated that they will be unwilling to accommodate people who are self-isolating, if people who test positive are required to isolate in that hotel.
21. Accordingly, groups seeking to travel to New Zealand (as part of the March-May package) have expressed concern about their ability to procure appropriate accommodation (eg of the nature and scale required) in time.

There is provision to allow, rather than require, groups to enter managed isolation

22. We advised you that we would provide further advice on the legal and cost-related mechanisms for accommodating groups, who are eligible to self-isolate, in MIQ (in the event exceptional circumstances preclude them from doing so) [BR-2122-2286 refers].
23. Fundamentally, the Government cannot require a person to enter MIQ in the absence of public health justification.
24. However, the COVID-19 Public Health Response (Air Border) Order 2021, which will come into force on 27 February, provides for the Chief Executive of MBIE to *allow* people to enter MIQ, despite otherwise being required to self-isolate (by virtue of being eligible for the medium-risk pathway).¹
25. People allowed to enter MIQ under this provision would be bound by MIQ requirements, proper. They would also be liable for MIQ charges under the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020. However, as has been the case for other border arrivals since December 2021, we can only cost recover for a 7-day (rather than 10-day) stay [BR-2122-2240 refers]. Additional costs (eg for training) would continue to be recouped on a contractual basis.

We could allow certain priority groups that are eligible to self-isolate to enter MIQ in March

26. Given concerns expressed by groups, and because we will have additional managed isolation capacity in March, we could allow certain groups arriving in New Zealand in March after Step 2 has commenced (and who are otherwise eligible for the medium-risk pathway) to enter MIQ, rather than self-isolate.
27. We expect that the following groups may find it difficult to secure alternative accommodation for self-isolation in March:
 - a. Antarctic workers (70 people, exact arrival dates to be confirmed – pending their approval as part of the March-May groups package)
 - b. Cricket World Cup personnel (5 people, arriving 10, 12 and 18 March)
 - c. Pacific cargo crew (20 people, arriving 13 March)
 - d. Netherlands Men's Cricket Team (35 people, arriving 14 March)

¹ This provision was originally authored into the Order, as per original RNZ timing, to provide for accommodation of 1) Cricket World Cup players and personnel, and 2) overseas-based aircrew, who have indicated an inability to procure alternative accommodation once no longer required to enter MIQ (by virtue of hotels with which they previously held contracts being part of the MIQ network). You have received further MOH advice on this provision [HR-20220090 refers].

- e. Paralympians (18 people, arriving 15 March – pending their approval as part of the March-May groups package).
28. We seek your view on which of these groups, if any, should be allowed to enter MIQ in March, rather than self-isolate [BR-2122-2240 refers].

Refugees and Afghanistan arrivals

29. We have advised you that refugees will continue to enter MIQ post-RNZ Step 2, due to many being unvaccinated, or because of difficulties associated with confirming the veracity of vaccination status [BR-2122-2286 refers]. This will also be true of many Afghanistan arrivals.
30. There may be a limited number of refugees or Afghanistan arrivals who satisfy eligibility requirements to self-isolate under the medium risk pathway. However, we consider it appropriate that all refugees and most Afghanistan arrivals be allowed to enter MIQ at this time – due to difficulties associated with procuring accommodation for self-isolation, in the interests of keeping family groupings together, and in order to ensure provision of appropriate supports.
31. If a refugee or traveller from Afghanistan eligible to self-isolate under the medium-risk pathway requests to do so, MBIE cannot require them to enter MIQ.

Use of MIQ for groups beyond March

32. Use of MIQ beyond March by groups otherwise eligible to self-isolate under the medium-risk pathway will be canvassed as part of a broader discussion with you about the scaling down of MIQ (see 'next steps').

Quarantine capacity may be tight until Step 2

33. Current modelling indicates that our quarantine capacity in Auckland will be tight in early March if the current rate of people entering quarantine (about 60 border cases, and 5-15% of community cases per day) continues. We also expect to quarantine capacity in Christchurch to be tight from mid-February. This modelling accounts for expected reduction in MIQ demand at Steps 1 and 2.

We have limited the number of community cases entering MIQ

34. On 14 January, we advised you that MIQ was advising MOH and regional public health units that we no longer had capacity to accept Delta positive community cases unless there were extenuating or exceptional circumstances [BR-2122-2293 refers].
35. We have now also limited the number of Omicron community cases that can be accommodated in MIQ at any one time.

We have retained Ibis Ellerslie as a MIF to reserve quarantine capacity

36. On 31 January, you agreed to convert the Ibis Ellerslie from a quarantine facility back to a MIF in order to mitigate managed isolation capacity constraints in February [BR-2122-2493 refers].
37. We have decided to retain the Ibis Ellerslie as a quarantine facility, due to increasing pressure on quarantine capacity, and reducing pressure on managed isolation capacity from 20 February (achieved via options canvassed in BR-2122-2493, such as cancelling certain allocations for February and the conversion of Amohia).

We seek your agreement to convert the Sudima Auckland MIF into a quarantine facility, if required

38. In order to gain further quarantine capacity to manage border and community cases through late February and early March, we may need to convert another Auckland-based MIF into a quarantine facility (depending on the number of border cases in the coming days).
39. We propose converting the Sudima Auckland Airport (135 rooms) for such purpose, if required.
40. Operational readiness work, to provide for the conversion of the Sudima from a MIF to a quarantine facility, was proactively undertaken in October-November 2021 during our response to the Delta outbreak.

Next steps

41. On 1 February, Cabinet directed the Department of Prime Minister and Cabinet (DPMC), in consultation with MOH and border agencies, to report back to you with further advice on enduring border measures beyond Phase Three, including for the high-risk pathway, by March 2022 [CAB-22-MIN-0008 refers]. We are contributing to this advice.
42. On 16 December 2021, you refrained from making decisions regarding the scaling down of the MIQ network and commencing the 90 day decommissioning period of some facilities (the 'moderate transition approach') due to uncertainty regarding the Omicron variant, until decisions had been made on the timing of Reconnecting New Zealanders with the World [BR-2122-2192 refers]. As these decisions have now been announced, we seek your agreement to meet to discuss next steps in the scaling down of MIQ.