



COVERSHEET

Minister	Hon Dr Ayesha Verrall	Portfolio	COVID-19 Response
Title of Cabinet paper	New Zealand's future quarantine and isolation capability	Date to be published	31 July 2023

List of documents that have been proactively released

Date	Title	Author
December 2022	New Zealand's future quarantine and isolation capability	Office of the Minister for COVID-19 Response
19 December 2022	New Zealand's future quarantine and isolation capability CAB-22-MIN-0589.01 Minute	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of Confidentiality and Confidential advice to government.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

New Zealand's Future Quarantine and Isolation Capability

Portfolio **COVID-19 Response**

On 19 December 2022, following reference from the Cabinet Social Wellbeing Committee (SWC), Cabinet:

Background

- 1 **noted** that the Ministry of Business, Innovation and Employment (MBIE) currently remains responsible for identifying opportunities to strengthen New Zealand's future quarantine and isolation capability, and maintaining operational readiness to re-establish managed isolation and quarantine (MIQ) (via the Readiness Plan);
- 2 **noted** that in December 2020, Cabinet:
 - 2.1 approved funding of \$1,468.272 million in the Isolation and Quarantine Management Multi-Category Appropriation for MBIE's quarantine and isolation activities;
 - 2.2 agreed that the funding in the above appropriation is ring-fenced to MIQ and cannot be transferred to other appropriations, and that once MIQ winds down any remaining funding is to be returned to the Crown;

[CAB-20-MIN-0511]

- 3 **noted** that the Isolation and Quarantine Management Appropriation within Vote Building and Construction, under which MBIE's remaining quarantine and isolation activities are conducted, ends on 30 June 2023;
- 4 **noted** that MBIE currently estimates a \$22 million underspend in the above appropriation, which will be returned to the Crown in June 2023, subject to any Cabinet decisions to reprioritise the underspend;

New Zealand's future quarantine and isolation capability

- 5 **noted** that a programme business case has considered three options for retaining and strengthening New Zealand's future quarantine and isolation capability beyond 30 June 2023;

- 6 **agreed** to fund the continued maintenance, testing, and maturation of New Zealand's existing Readiness Plan, plus the development of a long-term quarantine and isolation capability strategy, and investment in an evolving portfolio of (contracted) self, community, and managed quarantine and isolation interventions;
- 7 **agreed** to provide funding of \$3.7 million per annum from July 2023 to June 2025 to progress the work agreed in paragraph 6 above;
- 8 **directed** officials to report back to SWC by 30 June 2023 with:
- 8.1 a draft long-term quarantine and isolation capability strategy;
- 8.2 initial investment proposals for an evolving portfolio of self, community, and managed quarantine and isolation interventions;
- 8.3 [redacted] Confidential advice to Government [redacted];
- 9 **noted** that, [redacted] Confidential advice to Government [redacted];
- 10 **noted** that agreement to future capital investment based on the above analysis will require a detailed business case;
- 11 **noted** that the Programme Business Case estimates that the ongoing annual running cost of the decision in paragraph 6 above during 'peacetime' would be between \$10.9 million and \$13.5 million per annum, and at full capacity between \$600 and \$800 million per annum and [redacted] Confidential advice to Government [redacted];

Transfer of responsibility for the agreed option from MBIE back to the health system

- 12 **agreed** that responsibility for progressing the decision in paragraph 6 be transferred from MBIE to the health system by no later than 30 June 2023;
- 13 **directed** MBIE, Manatū Hauora, and Te Whatu Ora to provide the Minister of Finance, Minister of Health, and Minister for COVID-19 Response, with a detailed transition roadmap for the above transfer of responsibility in March 2023;

Transfer of funding for the agreed option to the health system

- 14 **agreed** that the Cabinet decision noted in paragraph 2.2 above restricting the transfer of funding will no longer apply, to allow for the transfer of responsibility from MBIE to the health system before 30 June 2023;
- 15 **agreed** that the funding to progress work on New Zealand's future quarantine and isolation capability beyond 30 June 2023 may be transferred from Vote Building and Construction to Vote Health appropriations only;

16 **approved** the following changes to appropriations to give effect to the decisions in paragraphs 6 and 15 above, with no impact on the operating balance and/or net debt across the forecast period:

	\$m – increase /(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & Outyears
<p>Vote Building and Construction Minister for COVID- 19 Response</p> <p>Multi-Category Expenses and Capital Expenditure: Isolation and Quarantine Management MCA</p> <p>Departmental Output Expenses: Operational Support (funded by revenue Crown)</p>	(7.358)	-	-	-	-
<p>Vote Health Minister of Health Non-departmental Output Expenses: Delivering Primary, Community, Public and Population Health Services</p> <p>Multi-Category Expenses and Capital Expenditure: Stewardship of the New Zealand health system MCA</p> <p>Departmental Output Expenses: Public health and population health leadership (funded by revenue Crown)</p>		3.323	3.323		
		0.356	0.356		
Total Operating	(7.358)	3.679	3.679	-	-

17 **agreed** that the changes to appropriations for 2022/23 above be included in the 2022/23 Supplementary Estimates;

- 18 **agreed** that any underspends in the Isolation and Quarantine Management multi-category appropriation over and above the cost of funding the decision in paragraph 6 be returned to the Crown.

Rachel Hayward
Secretary of the Cabinet

Secretary's Note: This minute replaces SWC-22-MIN-0256. Cabinet agreed to amend recommendation 8.
