

Office of the Minister for COVID-19 Response

Cabinet

COVID-19 RESPONSE: 4 OCTOBER REVIEW OF ALERT LEVEL SETTINGS

Proposal

- 1 This paper seeks Cabinet's agreement to:
 - 1.1 ease restrictions within Alert Level 3 in Auckland from 11.59pm Tuesday 5 October (the first stage of a possible three-stage reduction);
 - 1.2 keep the rest of New Zealand at Alert Level 2 but with further stepped down restrictions from 11:59pm Tuesday 5 October;
 - 1.3 additional permissions to cross Alert Level boundaries for forestry and wood processing workers; and
 - 1.4 further steps down through Alert Level 3 settings that could be implemented in the future, subject to public health risk assessments.
- 2 It also provides advice on:
 - 2.1 re-opening education entities in Auckland; and
 - 2.2 additional permissions for urgent building and construction movements across Alert Level boundaries.
- 3 I propose these settings are reviewed by COVID Ministers with power to act or Cabinet on Monday 11 October.

Relation to government priorities

- 4 This paper concerns the Government's response to COVID-19.

Summary

- 5 As at Friday 1 October, there have been 1,268 confirmed cases detected since 17 August 2021, of which 1,250 are in Auckland, one in Waikato and 17 in Wellington. There were 19 new cases in the 24 hours to 9am Friday 1 October, all of which are in Auckland.
- 6 The Director-General of Health's interim advice is that the COVID-19 outbreak in Auckland continues to be of concern, and there is a need for a high degree of caution. The Public Health Risk Assessment notes that the risk of community transmission remains medium for Auckland. The outbreak is contained outside Auckland and there is a low risk of community transmission for the rest of New Zealand. The strategy for managing the outbreak – test, trace, isolate – remains unchanged.

- 7 Testing rates across Auckland have been higher than before the outbreak and the numbers of workers being tested is good (1000 over the past two days). Due to the speed of the outbreak, Ministry of Health contact tracers are increasingly discovering linkages between cases after the case has been identified, rather than as a result of contact tracing. There is also increased and targeted surveillance testing underway in the suburbs of most concern and across the Auckland region.
- 8 An assessment of the proposed Alert Level options against non-health factors by officials from the Department of Prime Minister and Cabinet (DPMC) indicates ongoing and increasing challenges related to financial support, economic, social and wellbeing impacts. General fatigue amongst the public is increasing and willingness to comply with some public health measures is reportedly reducing.
- 9 Our approach needs to balance two factors. One is the public health risk presented by the continuing spread of the virus in challenging circumstances in Auckland. The second is the evidence of eroding social license for heightened restrictions amongst compliant parts of the Auckland population who have endured a significant time at heightened Alert Levels. I consider we can loosen some restrictions while we see new cases presenting. I am proposing a phased approach to step down restrictions over time as part of a gradual transition to the new 'Traffic Light' framework that we plan to use for a highly-vaccinated population. Pushing vaccination as quickly as we can, maintaining a tight boundary around Auckland, and staying at Alert Level 2 elsewhere in case the boundary leaks are all crucial to executing this transition successfully.
- 10 While I expect that we will continue through the stepdown approach, a staged process enables us to consider the public health advice and other factors before each step nearer to the time. Targeted surveillance testing and increased vaccination rates (most up to date numbers are attached in Appendix 2) will continue to inform public health risk assessments and related decisions. We need to retain the ability to pause the process or even increase targeted restrictions if that is necessary to manage the health risks to the unvaccinated population and the impacts on the health system while vaccination rates continue to build.
- 11 Officials have developed proposals for how to relax Alert Level 3 settings in Auckland in a staged manner towards the Red level of the new 'Traffic Light' framework. There are three phases to the transition. Outdoor activities increase in Stage 1, retail activity in Stage 2, and hospitality and events in Stage 3. I am recommending we move to Stage 1 now, with decisions on other stages being made based on public health advice at the time.
- 12 On the basis of the latest public health risk assessment and the Director-General's interim advice, I propose Cabinet agrees to:
- 12.1 ease restrictions within Alert Level 3 (the first stage of three) to a modified Alert Level 3 from 11:59pm Tuesday 5 October for at least a week; and

- 12.2 keep the rest of New Zealand at Alert Level 2, with further stepped down restrictions from 11:59pm Tuesday 5 October.
- 13 With regard to Alert Level 2 settings, I propose:
- 13.1 removing the cap on hospitality venues and event facilities (indoor or outdoor) and instead rely on the physical distancing requirements (1 metre) to determine maximum capacity; and
- 13.2 removing the no standing requirement on public transport.
- 14 I note the requirements to be seated and for groups to be separated in hospitality venues and keeping the cap for social gatherings (including funerals, tangihanga and weddings) at 100 will continue at Alert Level 2.
- 15 I propose limited additional movements across Alert Level boundaries are permitted for forestry and wood processing from 11:59pm Tuesday 5 October, and that Cabinet receive further advice on additional permissions to support critical construction and manufacturing, following the upcoming public health risk assessment on Thursday 7 October.

PART 1: SITUATION REPORT, UPDATED MODELLING, AND ASSESSMENT AGAINST HEALTH AND NON-HEALTH FACTORS

How we make Alert Level decisions

- 16 Cabinet has previously agreed to use eight factors to guide decisions on the appropriate Alert Level settings for New Zealand [CAB-20-MIN-0199; CAB-20-MIN-0387 refer]. This includes the Director-General's assessment of a range of health factors (set out below); evidence of the measures' impact on society, at-risk populations, and public attitudes; and our ability to operationalise the restrictions.
- 17 The Director-General had recommended that vaccination rates – particularly for priority populations – be included as a public health factor to be taken into account in making decisions about Alert Level settings. When the factors were first agreed we did not have an approved vaccination. As we reach higher vaccination rates, population coverage will be increasingly important in determining what controls are appropriate to manage transmission in certain areas. I therefore recommend we add vaccination rates to the health factors the Director-General takes into account in future advice to Cabinet papers.

Situation report

- 18 Auckland is at Alert Level 3, and the rest of the country at Alert Level 2. As at Friday 1 October, there have been 1,268 confirmed cases detected since 17 August 2021, of which 1250 are in Auckland, one in Waikato and 17 in Wellington. There were 19 new cases in the 24 hours to 9am Friday 1 October, all of which are in Auckland.

- 19 As set out in the Director-General of Health's interim advice, there has been a persistent tail of cases in Auckland with continuing spikes. The virus is circulating in communities facing complex socio-economic issues (e.g. cases with complex or transient living arrangements and mixed compliance with legal requirements by close contacts), including in five active sub-clusters of concern. Further, Public Health contact tracers are finding some connections after cases are discovered, suggesting some undetected chains of transmission. However, high testing rates provide confidence that the current outbreak is still contained within Auckland and that there is no widespread transmission. Vaccination will play an important part in the management of this outbreak, which is unlikely to reduce to zero cases.
- 20 The public health risk assessment notes that the risk of community transmission remains medium for Auckland. The outbreak is contained outside Auckland and there is a low risk of community transmission for the rest of New Zealand.

Updated modelling in relation to the current outbreak

- 21 Te Pūnaha Matatini has continued to provide updated modelling results from its "branching process" and "contagion network" models in relation to the current outbreak.
- 22 Modelling could demonstrate how long elimination of the current outbreak would take by imposing an assumed R_{eff} on the trajectory from here. However, this is not particularly instructive because the overall case load is relatively low, and we would need to arbitrarily assume different R_{eff} that would give different results depending on whether they are more or less than one.

Simulating a move to Alert Level 2

- 23 Scenarios featuring a relaxation to Alert Level 2 have been modelled on a similar basis to the previous scenarios simulating a move to Alert Level 3. Alert Level 2 is assumed to be significantly more facilitative of community transmission, given the increases in permitted activity. However, given very limited prior observations of community transmission during Alert Level 2 over the course of the pandemic to date, estimation of the impact for reducing transmission is not possible. Results should therefore be considered indicative but plausible scenarios. They also consider the impacts of increasing vaccination rates in Auckland, using data around current coverage and future bookings. This poses the question whether we should set a vaccination target for Auckland – something we could give further thought too.
- 24 As at the previous decision point, with the low number of daily new cases, stochastic (random/chance) events will dominate outcomes in both models and the real world. This is true for a hypothetical shift down to Alert Level 2 as it was for the previous decision to move Auckland to Alert Level 3. An individual case's circumstances (e.g. size of household, number of other close contacts, workplace presence, distancing behaviour) make a big difference to the transmission risks associated with the case.

- 25 In the modelling results which assume ongoing Alert Level 3 restrictions, stochasticity is responsible for *whether* (as opposed to *when*) modelled scenarios exhibit escalating case numbers, and for how long it takes to achieve elimination.
- 26 In contrast, under Alert Level 2 assumptions, the main effect of stochasticity is *when* and *how sharply* case numbers rise. In all scenarios, more significant transmission would be expected from any undetected cases in an Alert Level 2 environment. By early November, daily reported cases may approach or exceed the outbreak's earlier peaks in August and results suggest that almost all Alert Level 2 simulations are not contained over the course of October and November. However, preliminary results suggest that if higher vaccination coverage is achieved (i.e. approaching 90% of people over 12 years old fully vaccinated, by mid-November) then this, in conjunction with ongoing Alert Level 2 settings, may reduce R_{eff} to below 1.
- 27 Therefore, officials continue to advise that the modelled scenarios should be considered in conjunction with case-specific information. Emergent case-specific information should be used as an early indicator of whether downside scenarios are becoming more likely. Under a continuing Alert Level 3, or a hypothetical move to Alert Level 2, the poorer simulated outcomes are more likely to eventuate where:
- 27.1 there remains a significant number of undetected cases in the community;
 - 27.2 new cases have periods where they are likely to be infectious in the community; and
 - 27.3 new cases are infectious in the community – more likely in higher-risk settings where there are numerous, hard to trace, contacts.

Director-General of Health's assessment against the health factors

Likelihood that the Auckland outbreak is contained

- 28 The Director-General's interim advice is that the COVID-19 outbreak in Auckland continues to be of concern, and there is a need for a high degree of caution. There is a persistent tail of cases, with occasional spikes; new sub-clusters which emerged in late August have provided the majority of cases over the past two weeks.
- 29 The last case reported beyond the Auckland Region was in Upper Hauraki on Thursday 29 September. This case is a child at Mangatangi School who tested positive at day 12 testing and had been in isolation since 20 September. The last time a case was infectious in the community in Wellington was on Friday 20 August.
- 30 The outbreak in Auckland appears to have peaked on Saturday 28 August. The number of new daily cases reported in the Auckland region decreased through September and has plateaued, with occasional daily spikes. The most

recent was a spike to 45 cases on Wednesday 29 September, primarily due to transmission in several very large households across several clusters. An update on any recent positive cases of interest will be provided verbally by the Director-General of Health at Cabinet on Monday 4 October.

Update on unlinked cases and sub-clusters of concern

- 31 As at 11am 1 October, of the 1,268 cases identified within Auckland, there are 38 cases (3%) that are not yet epidemiologically linked to the initial cluster, with 17 cases unlinked within the last 14 days. Investigations for a link are ongoing.
- 32 There are 15 subclusters that can be epidemiologically linked to the outbreak. There are 12 further epidemiologically unlinked subclusters. The suburbs which have been identified as of particular concern are Clover Park, Favona, Māngere, Manurewa, Mount Wellington and Ōtara. These suburbs appear to be associated with transmission within and between clusters. There have been high rates of testing across the relevant suburbs over recent weeks.
- 33 Most subclusters are now considered dormant (no new cases for over a week) or controlled (any new cases are known household contacts in isolation). As of Thursday 29 September, there are five active subclusters of concern. These are the South Auckland Households 2 (35 confirmed cases), the North Auckland Social Network (8 cases), the South Auckland Suburb 1 (31 cases), the South East Auckland Households 1 (11 cases) and West Auckland (21 cases).

Testing rates

- 34 High testing rates are necessary to provide assurance that we are identifying cases in the community and to manage the risk of transmission across the boundary. Testing rates remain high in Auckland, and support there being no widespread transmission there.
- 35 There continues to be enhanced surveillance testing in Auckland, targeted at suburbs of interest and transitional and temporary accommodation facilities. For example, this includes specific testing efforts in South and West Auckland. As at 9am 30 September, 55,123 tests were processed in the last seven days in the Metro Auckland region, which is a seven-day moving average of 7,874 tests/day. As at 11am 1 October, there were 19,038 tests processed nationally in the last 24 hours.
- 36 Since Wednesday 1 September, 53,966 Alert Level 4 workers have been tested; with 3,051 tested on Tuesday 28 September. This includes 12,497 DHB workers, 8,372 other healthcare workers, and 1790 emergency services workers.
- 37 A detection of COVID-19 was found in a wastewater sample collected from Tauranga on 23 September. However, COVID-19 was not detected in the subsequent '24 hour flow' samples collected from Tauranga and Mt Maunganui on Tuesday 28 September. Samples were collected from these

two sites on 29 and 30 September, with results expected by 1 and 2 October respectively. There are no other unexpected detections to report.

Health system capacity including surveillance and contact tracing systems

- 38 As at 11am Friday 1 October, there were 23 current hospitalisations associated with the current outbreak (21 are active cases and two are recovered cases). Of these 23 cases, 12 are in Middlemore (including four ICU patients, one of whom does not require this level of care), three are in North Shore Hospital (including once ICU patient) seven are in Auckland City Hospital, and one is in Starship Hospital.
- 39 There are no issues with the supply of laboratory testing equipment and personal protective equipment despite the surge in demand during this outbreak.
- 40 As at 9am Friday 1 October, there were 34,200 contacts identified in relation to the Auckland community cases recorded in the National Contact Tracing Solution. There are 915 contacts who are considered active/open; of these 78 are Close Plus contacts (94% have been contacted and advised to isolate and be tested), 494 are Close contacts (81% have been reached and advised to isolate and be tested) and 80 are Casual Plus contacts (61% have been contacted and advised to isolate and be tested).
- 41 Over the last two weeks, case and contact management has become more complex. This is based on the communities that have been affected and the associated level of support that is required to ensure the necessary engagement with the public health advice.
- 42 In response, public health units from outside Auckland have supported overall contact tracing service by leading specific tasks (including source and case investigations). The National Investigation and Tracing Centre (NITC) has activated surge capacity from two primary call centres and there is enough capacity to manage a large increase of contacts if required.
- 43 The workforce in Auckland is stretched, tired and fatigued. There has been good progress through the week to share work across the country and to identify additional staff for Auckland, however, they are having limited impacts on relieving the ARPHS workforce pressures. Further recruitment is underway to find critical resources. ARPHS are developing resourcing plans for the next two months as this outbreak is expected to have a significant tail. However, seconding people to achieve these plans is likely to be challenging.
- 44 If there were another significant incursion/outbreak in the next two months New Zealand would struggle to respond like it has in this August outbreak. This highlights the importance of a cautious approach to the current outbreak, however the Ministry and Auckland DHB are actively working to support ARPHS to manage the current outbreak and to prepare for another incursion in Auckland or elsewhere in NZ. Immediate actions include modifying ARPHS's operating model to streamline delegation of activity to other PHUs, standing up 4 PHUs to act as virtual teams of ARPHS, and continuing to

deploy PHU staff to Auckland. The Ministry has also begun work to strengthen central coordination of nationwide PHU resources.

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Director-General's of Health's conclusions

- 46 In light of the above, the Director-General recommends that from 11:59pm on Tuesday 5 October 2021:

- 46.1 Auckland can move down one step to a modified Alert Level 3, and
1.1 the rest of New Zealand remain at Alert Level 2 with a step down in restrictions.

- 47 The Director-General also recommends an ongoing strong focus on vaccination of populations with low vaccination rates in Auckland, with a particular focus on younger Māori and Pacific populations, and secondary school children. As noted above, given vaccination is so important, he now proposes we add vaccination rates to the list of factors to be considered when making decisions about COVID-19 Alert Levels.

- 48 The Director General also considered the public health risk of permitting cross Alert Level boundary movements for building, construction, and maintenance services, as well as forestry and wood products. Based on his assessment of the number of people involved, he has recommended that a decision on building, construction and maintenance services is deferred until after the next public health risk assessment is considered on 7 October. He is comfortable with the increased permissions for forestry and wood processing.

Proposal regarding Alert Levels

- 49 On the basis of the latest public health risk assessment and the Director-General's interim advice, I propose Cabinet agrees to:
- 49.1 move Auckland down one step to a modified Alert Level 3 from 11:59pm Tuesday 5 October 2021 for a week;
- 49.2 keep the rest of New Zealand at Alert Level 2, with further stepped down restrictions, from 11:59pm Tuesday 5 October;
- 49.3 additional permissions to cross Alert Level boundaries for forestry and wood processing workers; and

- 49.4 further steps down through Alert Level 3 settings that could be implemented in the future, subject to public health risk assessments.
- 50 I propose these settings are reviewed by COVID Ministers with power to act or Cabinet on Monday 11 October. This review will consider whether to re-open education entities in Auckland in line with the proposal in this paper; and consider additional permissions for urgent building and construction movements across Alert Level boundaries.
- 51 This proposal balances the public health risk factors and the eroding of social licence for heightened restrictions amongst compliant parts of the population. I am guided in this advice by the new 'Traffic Light' Framework that we plan to use for a highly-vaccinated population, our continuing efforts to vaccinate as quickly as we can and maintaining a tight boundary around Auckland.
- 52 This staged process enables us to consider the public health advice and other factors before each step nearer to the time. Targeted surveillance testing and increased vaccination rates will continue to inform risk assessments and related decisions. We will retain the ability to pause the process or even increase targeted restrictions if that is necessary to manage the health risks to the unvaccinated population and the impacts on the health system more generally while vaccination rates continue to build.

Assessment of the proposed measures/options against the non-health factors

- 53 I have assessed the options against the non-health factors agreed by Cabinet, as set out below. While I remain aware of the economic impact of Alert Level 3 restrictions on Auckland, I am reassured by traffic and electronic card spending recovery in Auckland since the shift to Alert Level 3. Pressure on at-risk populations, mental health impacts, and demand for essential support (including food parcels) continue as Alert Level restrictions endure, especially in Auckland.
- 54 Modifying Alert Level 3 settings in Auckland over coming weeks is likely to alleviate many of these issues. Compliance with Alert Level restrictions and other public health measures should continue to be encouraged, particularly as willingness to comply is reportedly reducing for some measures and general fatigue from Alert Level restrictions intensifies.
- 55 There continues to be risk of the virus being transmitted across Alert Level boundaries to the remainder of New Zealand, including the South Island. Regular movements of people and goods out of Auckland, including direct flights from Auckland to South Island cities, underlie the risk of the virus spreading to the South Island.

Economic impacts from Alert Levels

- 56 There is considerable uncertainty about the size of the impact of Alert Level restrictions. Treasury undertook a full re-calibration of the impacts of the Alert

Level restrictions in the BEFU forecasts in April 2021. These estimates have subsequently been updated to reflect changes to Alert Level 2 settings.¹

Approximate economic impacts of the Alert Level restrictions relative to Alert Level 1 (rounded to nearest \$10m)²

Restrictions	Reduction in economic activity per week	
AL2 across all of NZ	\$70 million	1% of national GDP
AL3 in Auckland, AL2 rest of country	\$250 million	4% of national GDP
AL4 across all of NZ	\$1,520 million	25% of national GDP

- 57 Impacts will differ across industries and within regions. These estimates are derived from the observed impact previous Alert Level escalations have had on activity and they do not account for potential changes over time (such as firms adapting their behaviour).
- 58 High-frequency economic indicators point to a rebound in Auckland's activity since moving down Alert Levels, in line with the overall resilience seen across New Zealand's economy:
- 58.1 On Monday 27 September, heavy traffic movements in the Auckland region had more than doubled compared to the week earlier and were within 7.4% of the level seen in August before the move to Alert Level 4. Outside of Auckland, heavy traffic has fully recovered.
- 58.2 In the week ended Monday 27 September, which included six days with Auckland at Alert Level 3, electronic card spending in the region rebounded to over 60% of 2019 levels, up from around 47% of 2019 levels during Alert Level 4. In most regions outside Auckland, spending initially rebounded to well above 2019 levels and has settled at a level similar to before the August outbreak.
- 59 Previous lockdowns indicate that while activity does fall sharply at higher Alert Levels, a significant amount is deferred rather than lost, if the time spent under higher Alert Level restrictions is kept short. Private sector forecasters also expect resilience, and the major banks have reported far less concern from customers than last year.
- 60 The Wage Subsidy Scheme August 2021 has had strong uptake with \$2,680 million paid as at Tuesday 28 September, though uptake has fallen in the second and third payments. Overall, the payments have supported 1,243,167 jobs, of which the vast majority are for businesses with under 500 employees. The August 2021 Resurgence Support Payment Scheme has also had strong uptake with \$906 million paid across the two payments as of Wednesday 29 September. The vast majority of support (93% of recipients) has been for businesses with fewer than 10 employees.

¹ Some of these GDP losses will occur even without Alert Level restrictions, as people adjust their behaviour in response to perceived risk.

² These projections are based on Alert Level settings at 29 September 2021, including maximum indoor social gathering limit and indoor event and hospitality facility capacity limit of 100 people at Alert Level 2.

- 61 The number of people on a main benefit increased after lockdown, peaking at 10,401 higher in the week of Friday 17 September. However, it has fallen in the week to Friday 24 September, with 9,519 more people on main benefit than before lockdown. Food grants increased significantly in the first two weeks after lockdown but have fallen each week since and as at 24 September are 2% lower than before lockdown. The Auckland region is now receiving 34% of all food grants, compared to 32% in the week before lockdown.

Economic impact of proposed changes to Alert Level settings

- 62 The Treasury has considered proposals to adjust Alert Level 2 restrictions, including relaxing physical distancing and gathering caps across venue settings, and removing the prohibition on standing on public transport. While these proposed changes are expected to provide benefits for accommodation and food services particularly, as well as for the arts and recreation sectors, the Treasury does not expect that these changes will significantly alter current estimates regarding the economic impact of Alert Level 2 at an aggregate level.
- 63 The Treasury has also considered proposals to take a staged approach to relaxing Alert Level 3 restrictions, including allowing retail, hospitality and event facilities to operate (with some restrictions), and reopening all schools. When fully implemented, the Treasury estimates that these changes would reduce the economic impact of Alert Level 3 in Auckland from \$210 million per week (4% of national GDP) to approximately \$40 million per week (1% of national GDP), a level similar to if 'Delta' Alert Level 2 was applied.
- 64 The Treasury has also considered the proposal to permit additional movement over the Alert Level 3/2 boundary for the wider construction, maintenance and forestry sectors. While at an aggregate level this proposal is not expected to significantly impact national GDP, it is expected that these changes would soften supply chain impacts and enable additional activity for these sectors.

Impacts on at-risk populations

- 65 Māori and Pacific populations are experiencing a higher vulnerability to, and disproportionate impacts of, COVID-19, which are continuing to be exacerbated by lower rates of vaccination and existing health co-morbidities amongst these groups.
- 66 The issues raised in previous Alert Level reviews continue to persist despite the move down to Alert Level 3 in Auckland, and include but are not limited to: ongoing restrictions on earning capacity, inequitable access to material essentials, issues related to education and learning, strong ongoing demand for mental health support services; and continued discrimination targeted towards Pacific peoples and disabled people. Further detail on implications for population groups is detailed in Appendix 1.

Public attitudes and compliance

- 67 Sentiment and behaviour research is conducted regularly with The Research Agency to understand the public sentiment towards COVID-19 and identify any shift in how New Zealanders feel about the response. It monitors information needs, behaviour and compliance across age cohorts and geographical areas. Research carried out between Thursday 9 September to Friday 17 September (n = 846), showed that sentiment has changed from 'neutral' and 'joy' to 'neutral' and 'sad'. 'Neutral' is still the highest sentiment but feelings of sadness have significantly increased since our July research. This is mostly driven by feelings of COVID-19 or lockdown fatigue, especially driven by Aucklanders.
- 68 Remaining consistent with July's research, the issues most top of mind for New Zealanders remain the effect of the New Zealand economy, new variants of COVID-19, and the financial impacts on business. Effects on mental health and "not knowing when we will return to normal" have seen significant increases from July.
- 69 Most New Zealanders continue to agree with lockdown as an approach and with different Alert Level settings being applied across the country. The level of support for these has remained consistent from July's survey, however there is less support for lockdowns in Auckland.
- 70 In terms of health behaviours, wearing a face covering is the behaviour most respondents are either willing to comply with or always compliant with. Staying home if sick, and using the COVID-19 Tracer App follow, all with significant increases with willingness or actual compliance. Aucklanders when compared to the rest of New Zealand, are more consistently compliant, significantly so with staying home if sick and using the COVID-19 Tracer App.
- 71 Police advice that anecdotal information and media reporting suggest compliance with Alert Level 3 restrictions in Tāmaki Makaurau is waning. Examples of breached include people playing touch rugby, walking on crowded beachfronts (unmasked) and holding gatherings with people outside of their bubble. Between 11.59pm Tuesday 21 September and 5pm Wednesday 29 September, Police advise:
- 71.1 Four people have been prosecuted for COVID-19 related offences in Auckland. Police have also issued 284 infringements in Tāmaki Makaurau for breaches of the COVID-19 Public Health Response Order No.12. Most infringements relate to individuals leaving their home/residence for non-essential activity. Non-compliance generally is greatest in the 18 to 40 age group.
- 71.2 Since Auckland moved to Alert Level 3, Police has undertaken 4,458 pandemic related activities and 1,257 online 105 breach notifications have been received.

- 71.3 An increase in protest activity has been noted at vaccinations sites around the country, alongside a further planned protest scheduled for Saturday 2 October.
- 71.4 The misuse of generic letters declaring essential worker status to cross the borders continues and there have been continued reports of people attempting, occasionally successfully, to travel across the Alert Level 3/2 boundary when not permitted to do so.

Ability to operationalise the restrictions

- 72 Operationally, the proposed changes in Alert Level settings do not present significant additional challenges. However, challenges persist in terms of our ability to connect with specific communities given their alternative social networks. There is sufficient capacity for people permitted to travel across the boundary to get tested and agencies are responding to household food shortages where they exist.
- 73 As restrictions on the public in Tāmaki Makaurau are progressively lifted, general crime and wellbeing calls for support from Police will inevitably increase and in some cases (such as mental health callouts), be greater than normal due to the cumulative impact of COVID and the Alert Levels. In the past when this has occurred, boundary restrictions have stopped, and Police has been able to deploy staff back to “normal” duties to respond to this shift in demand. In the current environment, boundary controls remain.
- 74 The ongoing deployment (for a full 24/7 shift rotation) of around 300 staff to checkpoints (242 from Tāmaki Makaurau and a further 58 from other Districts) and 128 staff to Auckland MIQ facilities and support, will have a significant impact on Police’s ability to respond to everyday demand. For comparative purposes, at the time of writing there are around 430 staff rostered on to general duties in Tāmaki Makaurau.

PART 2: REVISED ALERT LEVEL SETTINGS

Alert Level 3 – proposed staged approach to reducing settings in Auckland

- 75 As indicated above, Officials have looked at how Alert Level 3 settings in Auckland could be relaxed in a staged manner that maintains this control. This would ensure that restrictions are eased in a manner commensurate with the level of risk, whilst considering social licence and the ability of Aucklanders to continue abiding by Alert Level restrictions. I consider that this approach best balances the public health and loss of social licence risks. In previous outbreaks, restrictions have been used to drive case numbers to zero before substantive changes to Alert Level settings are used. Delta has made this approach less effective. Restrictions should now be used to maintain control of the outbreak and ensure it does not become widespread while vaccinations continue.

- 76 Informed by public health advice, graduated Alert Level 3 settings have been developed that could be implemented in three stages. Ministers will be asked to agree to all movements down through the stages when the public health risk assessment is that is safe to do so. The current strategy of containing the outbreak – test, trace, isolate – would continue. The surveillance and testing plan is under constant review to ensure that it is informing, as well as supporting, our response to the outbreak and could be adapted to reflect increased risk of transmission posed by relaxing Alert Level 3 settings.³
- 77 Consideration has been given to how education facilities could open for all learners while Auckland is at Alert Level 3. I consider this to be a very high priority given the social costs for learners, particularly disadvantaged learners of not returning to school. Public Health has advised, and I therefore propose that, subject to public health advice, schools welcome back all learners at the start of Term 4 (18 October) irrespective of how far we have stepped down through Alert Level 3. The proposed approach and considerations for education entities are discussed further below.
- 78 The proposed graduated settings are set out in the following table:

Stage 1
<ul style="list-style-type: none">- Outdoor gatherings permitted with a maximum of either 10 people or two households for any purpose (e.g. use of outdoor playgrounds and parks, the beach, organised outdoor yoga/CrossFit classes, outdoor picnics, people playing touch rugby, scuba diving, sailing, hunting, flying)- Permitted outdoor recreation expanded (allowing for movement anywhere in the Auckland region, and to undertake activities currently prohibited)- Controlled gatherings (e.g. weddings, funerals/tangihanga): keep at maximum limit of 10 people (plus staff)
Stage 2
<ul style="list-style-type: none">- Retail can operate (with face coverings and 2m social distancing requirements)- Public facilities can open (must operate with face coverings and 2m physical distancing requirements)- Controlled gatherings: increase maximum limit to 25 people (plus staff)- Increase outdoor gathering limit to 25 people for any purpose
Stage 3
<ul style="list-style-type: none">- Hospitality to reopen, with seating requirements in place and 50 persons cap- Event facilities to reopen (must operate with face coverings, 2m physical distancing requirements and 50 persons cap/per defined space)- Close contact businesses to reopen (e.g. hairdressers, beauty salons, massage parlours)- Indoor and outdoor social gatherings (including controlled gatherings) permitted, with 50 persons cap (plus staff)

³ The surveillance and testing plan is reviewed weekly and then adjusted if required each time a decision is made that affects the Alert Level settings both within a region and across boundaries. The plan is targeting testing to support our response to the outbreak, and includes targeting permitted/essential workers through establishing appropriate regulatory settings through the Alert Level Order, the invitation for workers to participate in voluntary surveillance testing particularly for the hospitality, retail and construction industries as well as testing in the suburbs of interest. In those suburbs, testing is also being focussed on specific neighbourhoods of interest.

- 79 As permitted activities continue to increase in Auckland, there will be a tension between the activity being undertaken in Auckland and limits on the ability of people to travel across the Alert Level boundary easily. For example, increasing food retail outlets operating will require additional supplies, and potentially staff, to cross the boundaries.
- 80 Accordingly, there may be additional boundary permissions sought to enable key workers to cross boundaries, if required to enable specific industries to resume. Specific advice on these additional permissions will be provided as part of advice to Cabinet on moving through the phased approach. This is in addition to the proposed permissions outlined from paragraph 103 below.
- 81 Controlled gatherings such as funerals and tangihanga mirror the number limit for outdoor gatherings (for any purpose) but can also be held indoors at all phases. The proposal also includes a permission to serve food and drink at indoor controlled gatherings, when people are seated.

Proposed approach for Education entities in Auckland

- 82 Reopening of schools for all students could be signalled publicly as early as Monday 4 October, noting that a final decision by Ministers will be contingent on an updated public health risk assessment on Thursday 7 October, to be communicated as early as 12 October.
- 83 As part of the Cabinet review, the Director-General of Health has recommended that an appropriate and tailored testing regime for the education sector be developed and implemented as appropriate.
- 84 Public Health's initial assessment (as of Tuesday 28 September) is that Early Learning services, primary and secondary education settings remain low risk environments in the context of this community outbreak. There is also a public health risk of schools remaining closed for extended periods of time, including the mental and physical health of socially isolated and at-risk children.
- 85 The proposed graduated opening of education entities is set out in the following table:

Week beginning 4 October
<ul style="list-style-type: none">- Early Learning Services can welcome more children onsite in bubbles of ten- Staff and parents encouraged to wear face coverings for drop offs and pick-ups- Teachers and children should only attend one service- No playcentres or groups- Some Early Learning Services may be closed on public health advice, due to the proximity of schools to suburbs and/or clusters of concern
Week beginning 18 October

- Early Learning Services can welcome all children back onsite
- For schools for years 1-8:
 - all learners can return to school
 - physical distancing and bubble requirements (including teachers remaining with one bubble) are removed
- For schools for years 9-13:
 - all learners can return to school
 - physical distancing and bubble requirements (including teachers remaining with one bubble) are removed
 - Level 3 requirements for compulsory face coverings indoors apply for years 9-13
 - There will no longer be an exemption for face coverings on school transport for children and young people 12 years and over
- Some schools may be closed on public health advice, due to the proximity of schools to suburbs and/or clusters of concern
- Learners who live in AL2 can travel to AL3 to attend school
- Level 3 guidance will be provided to the sector

86 Public Health have also confirmed that facemasks do not need to be worn by Early Learning Service staff, recommending that any residual risk is mitigated by providing guidance to support the safe operation of centres. Prior to the final decision being made to open schools, Ministers could also consider recommending additional public health controls. Such measures could include testing and potentially vaccination requirements for education workers, reducing the number of learners in years 11 to 13 onsite by bringing different year groups on for two to three days a week, and closing schools or early learning services in close proximity to suburbs and clusters of concern. I have asked for advice on removing the requirement for face coverings in schools that have an overall vaccination rate amongst staff and students of greater than 90 percent.

87 The Ministry of Education notes a risk that schools may see a large cohort of students not attending onsite due to a fear of COVID-19 and other factors associated with remaining at Alert Level 3 keeping them home. This will have a greater impact on learners that are already underserved within the education system including Māori, Pacific, disabled learners and learners from lower socio-economic areas. While schools are trying hard to deliver distance learning, they struggle to deliver a mixed model of learning for students located both onsite and at home. If this approach were taken for an extended period, it could have serious implications for both student learning and staff wellbeing.

88 Opening up schools to all year levels could require changes to the permissions to travel across the Auckland boundary in a range of situations:

88.1 students who board in hostels in Auckland, and who are currently at home in Alert Level 2 areas (and potentially any day students who live outside the Auckland boundary);

- 88.2 teachers with an ongoing need to commute into Auckland under the current Alert Level 3 restrictions, and those who may need to travel under the new proposed Alert Level settings⁴.

Other risks and considerations related to a staged approach for Alert Level 3

- 89 This proposal could be perceived as adding complexity to an already confusing system, given that it differs from what people have come to understand as permitted activities under Alert Level 3 settings. Officials advise that clear, timely, and tailored communications are critical to ensure people understand the rules, can be supported to comply with them, and can prepare ahead of time with the confidence they understand how to do so. Enabling this could involve publicly signalling ahead of time that the intention is to gradually reduce in stages, for both preparation and transparency purposes.
- 90 Treasury officials note that under the current WSS policy settings agreed by Cabinet, the WSS would continue to apply even after these changes come into effect in Auckland. This is because the underlying trigger event for the support remains in place (i.e. Auckland remaining in Alert Level 3).

Alert Level 2 Settings

- 91 On Friday 17 September the Director-General of Health proposed several adjustments to the Alert Level 2 settings to “step down” the restrictions at this Alert Level. On Monday 20 September Cabinet considered the Director-General’s proposals and:
- 91.1 agreed to increase the maximum indoor social gathering limit to 100 and the number limits at event facilities and hospitality venues to 100; and
- 91.2 directed officials to report back to Ministers with Power to Act on COVID-19 [CAB-21-MIN-0379 refers].
- 92 Informed by the advice Ministers with Power to Act received, and the earlier advice of the Director-General, I propose that we amend Alert Level 2 settings to enable greater activity. I consider we make the simplest, most effective changes to increase capacity at hospitality venues and event and public facilities.
- 93 The Director-General’s proposals achieved this by doing away with physical distancing requirements in these settings and increasing the capacity limit to be the greater of either 100 people or one person per 2m². I am instead recommending that rather than introducing a new approach to governing number limits, my preference is to maintain the current approach whereby capacity is governed by the number of people that can fit in a space while maintaining the required physical distancing.

⁴ 251 exceptions have been sought, covering 548 staff in 87 schools and ECE. Of these, 44 applications (covering 70 staff) were approved.

94 Given what I am proposing does not go as far as the Director-General's proposals, I am comfortable that the additional risk presented is acceptable given there is no transmission outside of Auckland. Taking into account the Director-General's advice on Alert Level 2 settings, I propose:

94.1 removing the cap on hospitality venues and event facilities (indoor or outdoor) and instead rely on the physical distancing requirements (1m) to determine maximum capacity; and

94.2 removing the no standing requirement on public transport.

95 I note that the cap for social gatherings (including funerals, tangihanga and weddings) will remain at 100.

PART 3: BOUNDARY SETTINGS

Update on current boundaries

96 On Monday 6 September Cabinet agreed that the same categories of permitted movement for businesses and services across the previous Alert Level 4/3 boundary would also apply to the Alert Level 3/2 boundary [CAB-21-MIN-0360 refers]. In addition, a limited number of permissions for individuals to cross the boundary for non-work purposes, e.g. to provide urgent care for a child or attend a medical appointment were agreed.

97 Ministers have subsequently agreed to implement a regime of pre-departure and surveillance testing for people crossing boundaries for personal reason and to add more permissions. Appendix 3 details all permissions for crossing Alert Level boundaries, and the testing and evidentiary requirements.

98 Between 12am Monday 6 September and 11.59pm Wednesday 29 September a total of 368,079 vehicles had been stopped at the northern and southern checkpoints. Of these, 6,039 vehicles have been turned around (4,735 at the southern boundary and 1,304 at the northern boundary).

99 Generally, compliance has been high and motorists are carrying the required evidence to demonstrate their permitted reason to travel. Overall, only around 1% of vehicles have been turned around. Compliance is lower for heavy motor vehicles, with 4.2% of heavy vehicles turned around.

100 On average, Air New Zealand carries 252 passengers out of, and 328 passengers into, Auckland under Alert Level 3/2 settings.

101 As at 12pm Wednesday 29 September, 9,300 businesses or 56,000 workers had been issued Business Travel Documents. Transport (21,000 workers) and the primary sector (11,000 workers) account for most documents.

102 As of 9am Wednesday 29 September, the Ministry of Health had received 10,654 requests for personal travel exemptions. 9,046 requests have been processed, of which 1,162 have been approved.

Additional permissions for key industries

- 103 On 13 September, Cabinet noted that following Auckland moving to Alert Level 3, I would ask Cabinet to consider whether further permissions for travel across the Alert Level 3/2 boundary should be allowed to enable some workers in key industries to travel, in order to limit impacts on major infrastructure projects and supply chains [Cab-21-Min-0370 refers].
- 104 It is timely to consider these additional permissions, as they relate to forestry and wood processing and critical construction and infrastructure. Specifically, permissions could be expanded to include:
- 104.1 Building and construction activity focused on nationally important infrastructure that contributes to other government priority projects, including classrooms, social housing, defence and corrections facilities.
- 104.2 Forestry and wood product processing for which the travel between alert level areas is reasonably necessary to enable the service to be provided and that the provision of the service cannot reasonably be delayed without substantial implications for the supply chain.
- 105 The Director General also considered the public health risk of permitting these additional boundary movements. He recommended expanding the permissions to cover forestry and wood processing, but that a decision on building and construction movements is deferred until after the public health risk assessment on Thursday 7 October.
- 106 The Ministry of Business, Innovation and Employment (MBIE) considers that there could be merit in enabling building and construction of infrastructure that contributes to certain government priority projects to take place. This could be done by explicitly providing for those priority projects in the Order.⁵
- 107 MBIE will work to confirm proposed permissions and potential numbers of workers affected, and will provide advice to the next Alert Level discussion.

Forestry and Wood Processing

- 108 Allowing forestry and wood product processing for necessary tasks that cannot be delayed without substantial implications for the supply chain will enable critical functions to continue, including construction and housing, trade and sanitary items. It will assist with the immediate, significant constraints on the supply of forestry products.
- 109 MPI estimates around 150 to 300 workers would need to cross the boundary for work at this point in the season. Some workers do commute, but others come to an area to perform specific tasks such as harvesting, which means they remain in the area for several days at a time.

⁵ Indicative projects include: Waikeria prison construction; maintenance and construction of buildings / wards at hospitals not currently permitted; construction of classrooms for schools (where needed to meet anticipated demand); Major government approved programmes for public housing (e.g. the Kāinga Ora build programme and Auckland City Mission HomeGround)

- 110 There is an issue of trees which were felled in the three or four days prior to lockdown which have now been on the ground for five weeks and are degrading, reducing their future value and application. We cannot quantify the full extent of this but are advised that it remains an issue. The felled trees will remain untouched and continue to degrade until harvest crews are able to resume operations.
- 111 Accordingly, I am seeking agreement to expanding permissions for forestry and wood product processing from 11:59pm Tuesday 5 October.

Testing and vaccination for permitted workers

- 112 All individuals who are permitted to travel under business categories are subject to surveillance testing. If we were to agree to increased business permissions, I propose that individuals travelling for these purposes would be subject to these testing requirements.
- 113 Because vaccination rates are still relatively low, particularly for younger people in the workforce, only allowing people that are fully vaccinated to cross Alert Level boundaries would prevent significant numbers from working. Officials will provide advice on whether evidence of vaccination should be added to the requirements for crossing boundaries once vaccination rates in crucial sectors of the population have increased.

PART 4: OTHER MATTERS

Financial implications

- 114 On 18 August, Delegated Ministers agreed to activate both the Resurgence Support Payment (RSPAUG21) and Wage Subsidy Scheme (WSSAUG21). The tables below provide a high-level estimate for the costs of the schemes under Alert Level scenarios.

Approximate WSS and RSP costs in different Alert Level scenarios

Scenario	WSS	RSP ⁶	Total
AL4 in Auckland, AL3 across rest of NZ – 2 weeks	\$700 to \$1,050 million	\$550 million	\$1,250 to \$1,600 million
AL4 in Auckland, AL2 across rest of NZ – 2 weeks	\$550 to \$900 million	\$430 million	\$980 to \$1,330 million
AL3 in Auckland, AL2 across rest of NZ – 2 weeks	\$350 to \$650 million	\$200 million	\$550 to \$850 million

WSSAUG21 and RSPAUG21 actual payments made and appropriation balances

	WSSAUG21	RSPAUG21
Payments made at 29 September ⁷	\$2,723 million ⁸	\$906 million

⁶ These costings are for a single round of payments opened during the indicated Alert Level scenario. Officials expect most of the RSP's uptake to be realised in the first 10 days of a lockdown. Any lockdown of 10 or more days is therefore likely to have costs at the higher end of our estimates.

Amount remaining in appropriations at 29 September	\$152 million	\$224 million
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Wage Subsidy Scheme August 2021

- 115 The third payment for the WSSAUG21 opened on Friday 17 September and closed on Thursday 30 September [CAB-21-MIN-0373 refers]. The cost of the third payment is expected to be less than the first and second payments as a result of the change in Alert Levels resulting in increased business activity. Applications for the fourth payment for the WSSAUG 21 open at 9am Friday 1 October and close on Thursday 14 October. The cost of the fourth payment is expected to be less than previous payments.
- 116 On Monday 27 September Cabinet agreed to continue WSSAUG21 for another six weeks from Friday 1 October should Alert Level 3 or higher remain in place anywhere in the country. Cabinet agreed to drawdown \$650 million from the COVID-19 Response and Recovery Fund (CRRF) for further costs of the WSSAUG21, and delegated authority to Joint Ministers to draw down up to \$2,000 million from the CRRF for future payments under the WSSAUG21 [CAB-21-MIN-0392 refers]. As at Wednesday 29 September, the balance of the COVID-19 Response and Recovery Fund is \$11.1 billion.

Resurgence Support Payment August 2021

- 117 Under initial alert level scenarios and associated estimated uptake, the RSPAUG21 was estimated to cost \$600 million, though officials recognised that a more severe public health situation requiring prolonged periods at higher Alert Levels would push costs beyond that figure.
- 118 On Monday 27 August Cabinet agreed to increase the funding available under the RSPAUG21 by \$300 million [CAB-21-MIN-0344 refers], raising the total value appropriated to \$899.9 million. Cabinet also authorised Joint Ministers to draw down on the CRRF if costs escalate beyond estimates again, up to a cap of \$100 million.
- 119 Following the Government's announcement of a second payment of the RSP, a further \$230 million was appropriated to meet the expected cost (included in the table above). The Government also announced that if Alert Level 2 or higher settings are still in place in the coming weeks, there will be two further rounds of the RSP, opening on Friday 8 October and Friday 29 October. Subject to the Alert Levels in place at the time, the third and fourth rounds of the RSP are estimated to cost between \$100 million - \$200 million, and \$40 million - \$200 million respectively.

⁷ Note the \$2,723 million represents actual payments made. It does not represent the value of actual applications made due to the lag in processing time.

⁸ This total includes amounts for the first, second and third payments from the WSSAUG21.

Legislative Implications

120 I will make an amendment to the current Order under section 11 of the COVID-19 Public Health Response Act 2020 informed by Cabinet’s decision. I expect that any amendments would come into effect from 11.59pm Tuesday 5 October, to allow time for communication and operationalisation of the agreed changes.

Impact Analysis

121 The Treasury has determined that the regulatory proposals in this paper are exempt from the requirement to provide a Regulatory Impact Statement because they are intended to alleviate the short-term impacts of a declared emergency event of COVID-19 outbreak. These proposals are required urgently to be effective, making a complete, robust and timely impact analysis unfeasible.

Human Rights

122 s9(2)(h) [REDACTED]

[REDACTED]

[REDACTED]

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s9(2)(h)

Population impacts

- 128 The impacts of community outbreaks of COVID-19 (and the associated Alert Level measures put in place) on vulnerable populations are set out in Appendix 1.

Consultation

- 129 This paper was prepared by the COVID-19 Group within the Department of the Prime Minister and Cabinet. The Ministry of Health reviewed the paper and provided specific input and text, including advice on the course of the outbreak, the public health response, and the views and recommendations of the Director-General of Health. The Crown Law Office advised on Bill of Rights Act implications.
- 130 The Treasury, Te Puni Kōkiri, the Ministry of Social Development, Ministry for Ethnic Communities, and Ministry for Pacific Peoples have provided input into relevant parts of the paper. The MBIE, Department of Internal Affairs, Waka Kotahi, Ministry of Transport, Ministry for Primary Industries, Ministry of Culture and Heritage, Ministry of Social Development, Ministry of Education, Ministry of Justice, NEMA and Police were consulted on relevant parts of this paper.

Communications and proactive release

- 131 The Prime Minister will communicate the decisions set out in this paper after Cabinet agreement. I intend to proactively release this paper after Cabinet consideration subject to redaction as appropriate under the Official Information Act 1982.

Recommendations

The Minister for COVID-19 Response recommends that Cabinet:

- 1 note that since Tuesday 17 August 2021, 1,268 community cases of COVID-19 have been identified in New Zealand (as of 9am Friday 1 October);
- 132 note that on Monday 20 September Cabinet:
- 132.1 agreed to move Auckland to Alert Level 3 from 11.59pm Tuesday 21 September until at least 11.59pm Tuesday 5 October 2021;
- 132.2 agreed to keep the rest of New Zealand at Alert Level 2 until at least 11.59pm Tuesday 5 October 2021;
- 132.3 agreed to review these settings on Monday 4 October 2021 [CAB-21-MIN-0379 refers].

- 133 note the Director-General of Health's interim advice is that:
- 133.1 Auckland can move down one step to a modified Alert Level 3 from 11:59pm on Tuesday 5 October 2021, noting that the new freedoms have been designed carefully to balance the need to limit the transmission of COVID-19 and retain social licence;
 - 133.2 the rest of New Zealand should remain at Alert Level 2, with the previously recommended stepped down restrictions, from 11:59pm on Tuesday 5 October 2021; and
 - 133.3 the current vaccination drive should continue to focus strongly on increasing vaccination for populations with relatively low vaccination rates, and in particular younger Māori and Pasifika in Auckland, and secondary school children;
- 134 note that COVID-19 is now circulating in communities that face complex socio-economic issues;

Alert Levels

- 135 note the Director-General of Health's interim advice is:
- 135.1 Auckland can move down one step to a modified Alert Level 3 (settings proposed in recommendation 140), and
 - 135.2 the rest of New Zealand remain at Alert Level 2 with a step down in restrictions (adjustments proposed in recommendation 148);
- 136 agree an appropriate measure in response to the level of public health risk would be to:
- 136.1 ease restrictions within Alert Level 3 in Auckland from 11:59pm Tuesday 5 October 2021, in line with the adjustments proposed in recommendation 140 below; and
 - 136.2 keep the rest of New Zealand at Alert Level 2 with the adjustments proposed in recommendation 148;
- 137 note that these settings will be reviewed by COVID Ministers with power to act or Cabinet on Monday 11 October;

Alert Level 3 settings

- 138 note that officials have considered how a staged approach could be taken to reducing Alert Level 3 controls to enable greater activity while still managing the public health risk;
- 139 note decisions to move down each stage will be made informed by public health risk assessments and only when it is safe to do so;

- 140 agree that Stage 1 (which, as per recommendation 136, I recommend we move to immediately) include:
- 140.1 permitting outdoor gatherings with a maximum of either 10 people or two households for any purpose;
 - 140.2 expanding outdoor recreation to allow movement anywhere in the Auckland region and previously prohibited activities;
 - 140.3 maintaining the cap of 10 for controlled gatherings (e.g. funerals, tangihanga and weddings) plus staff;
- 141 agree that Stage 2 include:
- 141.1 permitting retail to operate with face coverings for staff and customers and 2 metre physical distancing requirements;
 - 141.2 permitting public facilities to open with face covering and 2 metre physical distancing requirements;
 - 141.3 increasing the limit for controlled gatherings to 25 people (plus staff);
 - 141.4 increasing outdoor gathering limit to 25 people for any purpose;
- 142 agree that Stage 3 include:
- 142.1 permitting hospitality to reopen, with seating requirements in place and a 50-person cap;
 - 142.2 permitting event facilities to reopen with face coverings and 2 metre physical distancing requirements and a 50 per person cap per defined space;
 - 142.3 permitting close contact businesses to reopen (e.g. hairdressers, beauty salons, massage parlours);
 - 142.4 permitting indoor and outdoor social gatherings (including controlled gatherings) with a 50-person cap (not including staff)
- 143 note that Early Learning Services, primary and secondary education settings remain low risk environments in the context of the current outbreak;
- 144 note that officials advise that the reopening of schools for all students should not be dependent on Auckland moving to Stage 3 and that they should reopen for all year 1 to 13 students on Monday 18 October, pending public health advice and appropriate public health controls;
- 145 note Cabinet will make final decisions on re-opening educational facilities to all students in Auckland under Alert Level 3 for Term Four on 18 October informed by a public health risk assessment;

- 146 note that schools reopening for all students could require additional permissions for staff and students to travel across the Alert Level boundary to access onsite learning and that officials will provide further advice as required;

Alert Level 2 settings

- 147 note the Director-General of Health has provided advice on relaxing Alert Level 2 settings including removing physical distancing requirements in hospitality, and public and event facilities and increasing the capacity limit to be the greater of either 100 people or one person per 2m²;
- 148 agree to amend the Alert Level 2 settings as follows:
- 148.1 removing the cap on hospitality venues and event facilities (indoor or outdoor) and instead rely on the physical distancing requirements (1 metre) to determine maximum capacity; and
 - 148.2 remove the no standing requirement on public transport;
- 149 note the cap for social gatherings at Alert Level 2 (including funerals, tangihanga and weddings) will remain at 100;

Alert Level boundaries

- 150 note permitted movements across as an Alert Level 3/2 boundary should remain limited in order to reduce the risk of COVID-19 being transmitted from an Alert Level 3 to an Alert Level 2 area;
- 151 agree that permitted movement across the Alert Level 3/2 boundary should include:
- 151.1 existing permissions; and
 - 151.2 forestry and wood product processing for which:
 - 151.2.1 the travel between alert level areas is reasonably necessary to enable the service to be provided; and
 - 151.2.2 the provision of the service cannot reasonably be delayed without substantial supply chain implications;
- 152 note officials will provide advice on further amendments to boundary permissions to enable building and construction of infrastructure that contributes to government priority projects following the next public health risk assessment on 7 October 2021;

Other matters

- 153 agree to add vaccination rates (particularly for priority populations) to the public health factors to be considered by the Director-General in his

assessment of health factors to inform Cabinet decisions on COVID-19 Alert Level settings; and

- 154 agree that Cabinet's decision today will be communicated by the Prime Minister.

Hon Chris Hipkins
Minister for COVID-19 Response

Proactively Released

Appendix 1: Impacts on at-risk populations

Māori

- 1 Whānau Māori experience the impacts of ongoing lockdowns disproportionately at an overall population level and are more vulnerable to COVID-19 due to higher rates of health co-morbidities and other health disparities. Managing the balance between the potential risk of exposure to COVID-19 with the disproportionate and compounding impacts of ongoing Alert Level restrictions is therefore critical.
- 2 The key way to balance these competing concerns for Māori is to focus on increasing the vaccination rates for the Māori population, particularly for the under 50-year old age group. Creative, innovative, and local strategies to address lower Māori vaccination rates continue. See Appendix 2 for information about vaccination rates.
- 3 Actively and collaboratively decreasing barriers to vaccinations should sit alongside continued and augmented support for Whānau Ora commissioning agencies, iwi, hapū and Māori organisations to distribute food and meet the material and other essential needs of whānau Māori, particularly in Tāmaki Makaurau as Alert Level 3 continues.
- 4 Issues of school attendance, attrition rates and possible educational delays caused by lack of schooling during extended lockdown will continue to be an issue of major concern for Māori, with existing educational disparities being exacerbated because of continued lack of access to school, variable access to connectivity and digital devices, and overcrowding in some households. Strategies to compensate for this will need to form a key part of the post-lockdown response. Local responses have been shown to be most effective for Māori.
- 5 Fear of infection to tamariki and their whānau may result in hesitancy about returning to school, although the Ministry of Education has identified that early weekly attendance data from regions that have moved back to Alert Level 2 show similar patterns of attendance to the week before lockdown.
- 6 Continued Alert Level 3 restrictions in Tāmaki Makaurau are weakening Māori business resiliency and future capabilities. There are concerns about their ability and resources to ‘bounce-back’ and resume operations at Level 3 and lower. Fixed overhead costs are restraining business viability and future supports will need to be more agile, bespoke, and tailored to needs of individual businesses. Tied to business strains are the increasing indicators of Māori unemployment. Responsive, localised, and specific solutions are required to address these double and combined concerns – reduced Māori business capabilities and augmented unemployment.

Pacific peoples

- 7 A significant proportion of the New Zealand Pacific population live in the Auckland region, with large numbers in pockets of South Auckland. At its peak, Pacific peoples account for over 70% of the current COVID-19 cases, with the Māngere Assembly of God Church (AOG) of Samoa presenting as the largest sub-cluster of this outbreak.
- 8 Pacific peoples are more susceptible to COVID-19 health risk-factors including immunocompromised conditions, cancer, respiratory diseases and diabetes. This means that Pacific peoples who contract COVID-19 are more likely to be hospitalized and more likely to die from the virus.
- 9 Pacific people currently have relatively low vaccination rates (see table in Appendix 2). There continue to be reports of vaccine hesitancy, particularly among young people. This is driven by misinformation, religious beliefs, concerns about the recent myocarditis case, and prevalent low health literacy.
- 10 Church leaders, Pacific providers, community navigators, and the Ministry for Pacific Peoples continue to be critical sources of trusted information from government into the community about keeping safe from COVID-19, and the importance of getting vaccinated. These trusted sources have also mobilised to deliver support for Pacific families and communities alongside pop-up drives to increase both vaccination and COVID-19 testing rates.
- 11 Higher Alert Level settings are creating restrictions on earning capacity which can amplify income and poverty inequities. Food security and financial struggles continue to be key issues. There is ongoing significant demand for food parcels and social services, and other essentials e.g. PPE.
- 12 School principals have raised concerns about 'COVID fatigue' and the potential impact on NCEA exams. Overall, there is concern that long lockdowns could disadvantage students in assessments and exacerbate wellbeing issues. Some needs are still not being met, e.g. students and churches without devices.
- 13 Nationally, the impact of the lockdown on RSE workers and overstayers is a growing concern. Cook Islanders unable to get home due to closed borders are being supported by their New Zealand-based community because they are ineligible for support.
- 14 There has been an increase in racial discrimination targeted towards Pacific peoples which is linked to the large outbreak among the Pacific community in South Auckland. There are self-isolation challenges for larger intergenerational families, and cultural capability gaps identified in MIQ. A need for support for elderly and people living alone has also been identified, alongside health and wellbeing impacts and family violence concerns, all of which relate to confinement to the home bubble under higher Alert Levels and the stress of reduced or no income.

Disabled people

- 15 The current priority issue, while higher Alert Level restrictions are in place, is the issue of face-covering exemptions. There are still incidents of confrontation between disabled people who are unable to use face coverings, and supermarket staff, security guards and sometimes Police. This issue is being responded to through better communications and information with a commitment to monitoring and follow up actions. The Ministry of Health is taking the lead alongside the Office for Disability Issues, DPMC, MSD, Police, supermarket chains and disabled peoples organisations.

Ethnic communities

- 16 As with previous lockdowns, there continue to be concerns around the loss of jobs, reduced hours, and the financial impact on families for ethnic communities. Challenges associated with digital connectedness and a limited understanding of English can leave ethnic communities, especially the elderly, highly socially vulnerable in the context of COVID-19.
- 17 The move to Alert Level 3 for Auckland has benefitted SMEs and isolated segments of communities, in particular, the ability to have contactless pick-up and delivery and to expand bubbles. Progressively loosening restrictions, in line with public health objectives, will also enable a number of ethnic businesses, particularly SMEs, in the retail, hospitality and beauty services sectors to reopen. Moving down to Alert Level 2 in the rest of New Zealand has enabled businesses to operate and allowed small gatherings, which has provided many communities the opportunity to reconnect with their wider communities and support networks.

Older people

- 18 Issues that will impact older people during a longer period of time spent at higher Alert Levels include:
- 18.1 Accessing online services – some people still pay bills in person and will be impacted by the lockdown and not being able to pay their essential service bills (power, telephone etc).
- 18.2 Food delivery services – during lockdown, older people are encouraged to get others to do their shopping. This becomes problematic if they cannot go online or cannot get someone to assist them. Sometimes payment becomes an issue (access to cash).
- 18.3 Anxiety and isolation – how older people keep themselves and others safe will continue to generate anxiety due to the virulent nature of the Delta strain. Increased levels of anxiety are reportedly putting demands on providers that specialise in providing support to older people. Officials predict that demand for these services will remain high.

- 18.4 Resuming normal activities – the longer we remain at Alert Level 3 or 4 the more difficult it becomes for some older people to resume normal activities with confidence.

Young people

- 19 As reported previously, officials have seen an increase in support being sought by young people in relation to their mental and general wellbeing. We are hearing some concerns about parental wellbeing, especially if there has been job loss, which can have flow-on effects that will test the resilience of young people.
- 20 Ongoing alert levels and travel restrictions can have a continuing impact on mental health, especially for people with pre-existing vulnerabilities. The Ministry of Health COVID-19 Health and Wellbeing Survey (the Survey) showed that total population anxiety and depression levels increased to 15% in the first week of Alert level 4, which was approximately twice pre-pandemic levels. These are now tracking downwards but remain elevated at around 12%. Overall, a suite of indicators of distress measured by the Survey have been gradually trending down over the four weeks studied to date (21 September).
- 21 After an initial increase in *Need to talk?* 1737 contacts following the move to Alert Level 4, there has been a decrease back to prior levels and National Telehealth Service daily call volumes for mental health and addiction helplines are below those for the same day last year.
- 22 Youthline has reported a 12% decrease in the total number of contacts for this week compared to last week. There have been increases in specific areas, for example, the number of texts sent and received by the Helpline increased by 4%, from 5,902 texts sent and received last week, to 6,151 texts sent and received this week.
- 23 The top five presenting issues to the Youthline Helpline, in order of frequency⁹, were: Fear and Anxiety; Suicide; Depression and Sadness; Self-Harm; and Relationships - Family. There were 103 incidents reported¹⁰ this week, a 7% decrease from the previous reporting period. 62 incidents reported this week were related to suicide. Of the total number of incidents reported, 85 required no external intervention and 18 required external intervention.
- 24 The Ministry of Health is continuing to work with the Mental Health Foundation of New Zealand to provide a targeted time-limited psychosocial wellbeing campaign for Auckland.
- 25 Online learning/education has been a consistent concern for young people over the lockdown period. This included issues with access to devices or Wi-

⁹ For the week: 13/9/2021 – 19/9/2021.

¹⁰ An incident report is created any time a Youthline Helpline volunteer or staff member has a conversation over a call, text, webchat or email with a client who is presenting around one or more of the following: i) any care and protection risk (this includes physical abuse and sexual abuse), ii) Medium to high suicide risk, iii) Medium to high self-harm risk.

Fi connection, inadequate space at home, and young people struggling to engage with online learning. There are some concerns young people may not return to school post-lockdown. The extension of the lockdown restrictions is also creating stress for young people who are looking to transition to tertiary education or secondary school, as they are missing out on open days and face-to-face meetings with universities/colleges.

People experiencing family violence or sexual violence

- 26 Sector bodies have not reported any significant shifts in demand for sexual violence and family violence services since Alert Level 4 began. Preliminary data from Police shows that there has been a small increase in family harm reports, noting that they fluctuate due to external factors, and it is currently within the normal range. It is difficult to count an escalation in demand for services, however historically the impacts of an event like COVID-19 outbreaks may not be immediately evident. It may be that people are finding it difficult to reach out for support, and this may result in an increased demand for relevant services as areas reach lower Alert Levels.
- 27 MSD is re-airing SafeBubble campaign key messages of “It’s OK to ask for help” and “Help is still available”, geo-targeted to Auckland. The campaign will continue to run until Saturday 9 October and will let people know that help continues to be available while “in their bubbles”.

Low income individuals and households

- 28 Income disruption from reduced hours of work due to Alert Level 3 and 4 restrictions may make it harder for some people to meet their current and future financial obligations. The impact on current financial obligations has been reported by community food providers where most people seeking food parcels are on low incomes (e.g. due to reduced wages or the wage subsidy scheme not being sufficient) as opposed to MSD clients on a main benefit.
- 29 Options for additional targeted support to those people who may be usually in employment, who cannot work because of the lockdown, or who have had their work hours reduced as a result of lockdown are expected to be considered by Cabinet today as well. This additional support includes temporary increases to:
 - 1.1 funding of the Ministry of Social Development’s Community Connection Service to support the Auckland NGO and community organisations’ response to COVID-19; and
 - 1.2 income limits applying to hardship assistance.

Appendix 2: Vaccination rates: First doses administered by vaccinating DHB and ethnicity and Fully vaccinated by vaccinating DHB, as at Friday 1 October

DHB of Service (Grouped)	Prioritised ethnicity (MPAO)					First and second doses, by vaccinating DHB	
	Māori	Pacific	Asian	European or Other	Unknown	First doses	Fully vaccinated
Northland	24,270	1,789	5,337	72,690	557	104,643	64,757
Auckland Metro	79,450	139,692	355,648	590,127	10,149	1,175,066	690,381
Waikato	36,142	7,322	33,072	180,249	4,767	261,552	154,188
Lakes	15,066	1,485	6,337	42,551	744	66,183	41,697
Bay of Plenty	22,822	3,324	12,880	112,905	803	152,734	86,131
Tairāwhiti	10,530	709	1,215	15,360	152	27,966	17,293
Hawke's Bay	17,748	4,306	6,889	78,736	874	108,553	66,211
Taranaki	7,294	814	3,604	55,546	569	67,827	35,305
MidCentral	12,481	2,955	9,473	83,194	1,161	109,264	65,179
Whanganui	6,809	797	1,797	30,843	245	40,491	26,728
Capital & Coast	29,506	20,537	51,195	228,988	3,711	333,937	173,407
Wairarapa	3,328	579	1,304	25,785	230	31,226	20,575
Nelson Marlborough	6,564	3,926	6,044	90,754	1,189	108,477	73,691
West Coast	1,582	177	791	17,170	79	19,799	13,075
Canterbury	20,810	8,474	45,423	288,590	3,093	366,390	192,840
South Canterbury	1,955	655	2,377	35,863	245	41,095	25,000
Southern	14,762	4,891	17,728	196,499	1,733	235,613	145,033
Other Sites	7,726	2,949	4,050	29,337	766	44,828	33,879
Total first doses	318,845	205,381	565,164	2,175,187	31,067	3,295,644	
Total fully vaccinated	169,409	117,997	335,076	1,285,971	16,917		1,925,370

Appendix 3: Existing and proposed permissions for travelling out of Alert Level 3 area and requirements to carry evidence of COVID-19 test

Permission	Requirement to carry evidence of test	What evidence is required
Permitted work (including additional permissions sought through this Cabinet paper)	Yes (in and out of AL3 area)	Test within 7 days
Necessary work	Yes (in and out of AL3 area)	Test within 7 days
Exempt workers	No	N/A
A child going to visit or stay at the home or place of residence of another shared caregiver, and a caregiver conveying or accompanying	Yes	Test within 7 days
Urgent care of child/support or care to person in critical/terminal condition	No	N/A
Access health service with appointment/receive Pfizer vaccine if nearest	Yes	Test within 7 days
Leave or relocate hospital/residential care	Yes	Negative test in past 72 hours
Attend judicial institution	Yes	Negative test in past 72 hours
Leave or relocate home on court order	Yes	Negative test in past 72 hours
Leave or change home after period of detention	Yes	Negative test in past 72 hours
Collect a person leaving or relocating home on court order or after detention	Yes	Negative test in past 72 hours
Leave NZ	Yes	Negative test in past 72 hours
Go to MIQ	No	N/A
Emergency	No	N/A
Go home after MIQ	No	N/A
Go home after QFT travel	No	N/A
Collect a person going home after MIQ or QFT travel	Yes	Negative test in past 72 hours
Care for pets or other animals	Yes	Test within 7 days
Transit Auckland	No	N/A
Going to the person's principal home or place of residence	Yes	Negative test in past 72 hours
Relocating home or place of residence on a permanent or long-term basis as a result of: <ul style="list-style-type: none">• Starting new employment• Attending tertiary education• Purchasing or renting a new principal home or place of residence	Yes	Negative test in past 72 hours
Return home after travelling to the Alert Level 3 area for one of the above reasons (except for healthcare)	Mirror above	Mirror above

Permission	Requirement to carry evidence of test	What evidence is required
Accompany others for reasons above	Mirror above	Mirror above

Proactively Released



Cabinet

Minute of Decision

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COVID-19 Response: 4 October 2021 Review of Alert Level Settings

Portfolio COVID-19 Response

On 4 October 2021, Cabinet:

Situation update

- 1 **noted** that since Tuesday, 17 August 2021, 1,268 community cases of COVID-19 have been identified in New Zealand (as of 9am Friday 1 October 2021);
- 2 **noted** that on Monday, 20 September 2021, Cabinet:
 - 2.1 agreed to move Auckland to Alert Level 3 from 11.59pm Tuesday, 21 September until at least 11.59pm Tuesday 5 October 2021;
 - 2.2 agreed to keep the rest of New Zealand at Alert Level 2 until at least 11.59pm Tuesday, 5 October 2021;
 - 2.3 agreed to review these settings on Monday, 4 October 2021;[CAB-21-MIN-0379]
- 3 **noted** that the Director-General of Health's interim advice is that:
 - 3.1 Auckland can move down one step to a modified Alert Level 3 from 11:59pm on Tuesday, 5 October 2021, noting that the new freedoms have been designed carefully to balance the need to limit the transmission of COVID-19 and retain social licence;
 - 3.2 the rest of New Zealand should remain at Alert Level 2, with the previously recommended stepped down restrictions, from 11:59pm on Tuesday, 5 October 2021; and
 - 3.3 the current vaccination drive should continue to focus strongly on increasing vaccination for populations with relatively low vaccination rates, and in particular younger Māori and Pasifika, and secondary school children;
- 4 **noted** that COVID-19 is now circulating in communities that face complex socio-economic issues;

Alert Levels

- 5 **noted** that the Director-General of Health's interim advice is:
- 5.1 Auckland can move down one step to a modified Alert Level 3 (settings proposed in paragraph 10 below); and
 - 5.2 the rest of New Zealand remain at Alert Level 2 with a step down in restrictions (adjustments proposed in paragraph 18 below);
- 6 **agreed** that an appropriate measure in response to the level of public health risk would be to:
- 6.1 ease restrictions within Alert Level 3 in Auckland from 11:59pm Tuesday, 5 October 2021, in line with the adjustments proposed in paragraph 10 below; and
 - 6.2 keep the rest of New Zealand at Alert Level 2 with the adjustments proposed in paragraph 18 below (other than for those areas of Waikato that are at Alert Level 3);
- 7 **noted** that these settings will be reviewed by the COVID-19 Ministerial Group or by Cabinet on Monday, 11 October 2021;

Alert Level 3 settings

- 8 **noted** that officials have considered how a staged approach could be taken to reducing Alert Level 3 controls in Auckland to enable greater activity while still managing the public health risk;
- 9 **noted** that decisions to move down each stage will be made informed by public health risk assessments and only when it is safe to do so;
- 10 **agreed** that Stage 1 of easing the Alert Level 3 settings in Auckland include:
- 10.1 permitting outdoor gatherings of two households at any time, with a maximum of 10 people for any purpose;
 - 10.2 expanding outdoor recreation to allow movement anywhere in the Auckland region and previously prohibited activities;
 - 10.3 maintaining the cap of 10 for controlled gatherings (e.g. funerals, tangihanga and weddings) plus staff;
- 11 **agreed** that Stage 2 of easing the Alert Level 3 settings in Auckland include:
- 11.1 permitting retail to operate with face coverings for staff and customers and 2 metre physical distancing requirements;
 - 11.2 permitting public facilities to open with face covering and 2 metre physical distancing requirements;
 - 11.3 increasing the limit for controlled gatherings to 25 people (plus staff);
 - 11.4 increasing outdoor gathering limit to 25 people for any purpose;

- 12 **agreed** that Stage 3 of easing the Alert Level 3 settings in Auckland include:
- 12.1 permitting hospitality to reopen, with seating requirements in place and a 50-person cap;
 - 12.2 permitting event facilities to reopen with face coverings and 2 metre physical distancing requirements and a 50 per person cap per defined space;
 - 12.3 permitting close contact businesses to reopen (e.g. hairdressers, beauty salons, massage parlours);
 - 12.4 permitting indoor and outdoor social gatherings (including controlled gatherings) with a 50-person cap (not including staff);
- 13 **noted** that Early Learning Services, primary and secondary education settings remain low risk environments in the context of the current outbreak;
- 14 **noted** that officials advise that the reopening of schools for all students should not be dependent on Auckland moving to Stage 3, and that they should reopen for all year 1 to 13 students on Monday 18 October, pending public health advice and appropriate public health controls;
- 15 **noted** that Cabinet will make final decisions on re-opening educational facilities to all students in Auckland under Alert Level 3 for Term Four on 18 October 2021, informed by a public health risk assessment;
- 16 **noted** that schools reopening for all students could require additional permissions for staff and students to travel across the Alert Level boundary to access onsite learning and that officials will provide further advice as required;
- 17 **noted** that the policy rationale for the wage subsidy scheme is met at all three stages of the Alert Level 3 settings referred to above;

Alert Level 2 settings

- 18 **noted** that the Director-General of Health has provided advice on relaxing Alert Level 2 settings, including removing physical distancing requirements in hospitality, and public and event facilities, and increasing the capacity limit to be the greater of either 100 people or one person per 2m²;
- 19 **agreed** to amend the Alert Level 2 settings as follows:
- 19.1 removing the cap on hospitality venues and event facilities (indoor or outdoor) and instead relying on the physical distancing requirements (1 metre) to determine maximum capacity; and
 - 19.2 removing the no standing requirement on public transport;
- 20 **noted** that the cap for social gatherings at Alert Level 2 (including funerals, tangihanga and weddings) will remain at 100;

Alert Level boundaries

- 21 **noted** that permitted movements across an Alert Level 3/2 boundary should remain limited in order to reduce the risk of COVID-19 being transmitted from an Alert Level 3 to an Alert Level 2 area;

22 **agreed** that permitted movement across the Alert Level 3/2 boundary should include:

22.1 existing permissions; and

22.2 forestry and wood product processing for which:

22.2.1 the travel between alert level areas is reasonably necessary to enable the service to be provided; and

22.2.2 the provision of the service cannot reasonably be delayed without substantial supply chain implications;

23 **noted** that officials will provide advice on further amendments to boundary permissions to enable building and construction of infrastructure that contributes to government priority projects following the next public health risk assessment on 7 October 2021;

Other matters

24 **agreed** to add vaccination rates (particularly for priority populations) to the public health factors to be considered by the Director-General of Health in his assessment of health factors to inform Cabinet decisions on COVID-19 Alert Level settings;

25 **agreed** that Cabinet's decisions be communicated by the Prime Minister.

Michael Webster
Secretary of the Cabinet