



## Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC), on behalf of Minister of Health, Hon Dr Ayesha Verrall:

### **COVID-19 Briefings November 2022**

The following documents have been included in this release:

**Title of paper:** 11112022 COVID-19 Consultation Practices and Requirements

**Title of paper:** 14112022 DPMC COVID-19 Transition - Strategy and Policy Coordination

**Title of paper:** 23112022 Government Appointments - COVID-19 Response and Associate Minister of Health

**Title of paper:** 25112022 Vote Prime Minister and Cabinet: COVID-19 Response and Recovery Fund Quarter 1 report

**Title of paper:** 30112022 Future of the Strategic COVID-19 Public Health Advisory Group

**Title of paper:** 30112022 Department of the Prime Minister and Cabinet: Annual Review Pre-Hearing Questionnaire 2021 / 22 - COVID-19 Response portfolio

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

#### **Key to redaction codes:**

- Section 9(2)(a), to protect the privacy of individuals; and
- Section 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials.



## DPMC COVID-19 Transition – Strategy and Policy Coordination

<b>Date:</b>	14/11/2022	<b>Report No:</b>	DPMC-2022/23-425
		<b>Security Level:</b>	<del>IN CONFIDENCE</del>
		<b>Priority level:</b>	High

Action sought	
<b>Prime Minister, Rt Hon Jacinda Ardern</b>	<b>Agree and approve</b> the recommendations by Thursday 24 November 2022
<b>Minister of Finance, Hon Grant Robertson</b>	<b>Agree and approve</b> the recommendations by Thursday 24 November 2022
<b>Minister of Health, Hon Andrew Little</b>	<b>Agree and approve</b> the recommendations by Thursday 24 November 2022
<b>Minister for COVID-19 Response, Hon Dr Ayesha Verrall</b>	<b>Agree and approve</b> the recommendations by Thursday 24 November 2022

Name	Position	Telephone	1 <sup>st</sup> Contact
Brook Barrington	Chief Executive Department of the Prime Minister and Cabinet		
Dr Diana Sarfati	Director General of Health and Chief Executive Manatū Hauora		
Katrina Casey	Deputy Chief Executive, COVID-19 Group Department of the Prime Minister and Cabinet	s9(2)(a)	✓
Celia Wellington	Deputy Director-General Corporate Services Manatū Hauora		

**Departments/agencies consulted on Briefing**

This briefing was jointly prepared by Manatū Hauora and the Department of the Prime Minister and Cabinet. The Treasury was consulted and the COVID-19 Chief Executives Board was informed of the proposals in this paper.

### Minister's Office

Status:

Signed

Withdrawn

Comment for agency

Attachments: No

# Briefing

## DPMC COVID-19 Transition – Strategy and Policy Coordination

To: Prime Minister, Rt Hon Jacinda Ardern  
Minister of Finance, Hon Grant Robertson  
Minister of Health, Hon Andrew Little  
Minister for COVID-19 Response, Hon Dr Ayesha Verrall

Date	14/11/2022	Security Level	<del>IN CONFIDENCE</del>
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### Purpose

1. This paper seeks your agreement to the recommended timing and appropriation transfer to transition the Department of the Prime Minister and Cabinet's (DPMC) COVID-19 strategy and policy coordination function to Manatū Hauora – Ministry of Health.

### Executive Summary

2. On 4 July 2022 Cabinet agreed to an indicative plan for the DPMC COVID-19 functions to decentralise to health agencies this financial year. This plan included that the strategy and policy coordination function would transition to Manatū Hauora before the end of June 2023.
3. Cabinet authorised the Prime Minister, Minister of Finance, Minister of Health, and Minister for COVID-19 Response to take decisions on the timing and associated appropriation changes (if any) for transition of functions [SWC-22-MIN-0118 confirmed by Cabinet].
4. Ministers with power to act agreed in October 2022 to the timing and appropriation changes to transition other DPMC COVID-19 functions to Manatū Hauora and Te Whatu Ora Health New Zealand in October and November 2022 [DPMC-2022/23-88 and DPMC-2022/23-416 refer].
5. Officials from DPMC and Manatū Hauora have now conducted a due diligence process for the strategy and policy coordination function and recommend you agree to transition to Manatū Hauora by the end of March 2023. This concludes the transition of all DPMC COVID-19 functions.
6. The proposed timing of end of March takes into account recent decisions by Cabinet, including on the COVID-19 Public Health Response Act 2020 [CAB-22-MIN-0446].
7. An associated fiscally neutral appropriation transfer of \$0.350 million from Vote Prime Minister and Cabinet to Vote Health is sought to support the transition of this function into Manatū Hauora until June 2023.
8. After transition, Manatū Hauora will be responsible for All of Government (AOG) coordination to ensure analysis for, and advice to, decision-makers reflects all aspects of

the Crown's Te Tiriti obligations and the economic, social, and fiscal aspects of managing COVID-19. This includes in the event of a significant resurgence or variant of concern.

9. To support this a COVID-19 Senior Officials' Committee will be established to ensure an AOG perspective is applied to Cabinet papers and significant briefing papers to relevant Ministers that require system input, such as changes to COVID-19 policy settings.
10. The Senior Officials' Committee will support the COVID-19 Chief Executives Board (CCB) to ensure an AOG system view is taken. The CCB will remain the primary point of escalation in delivery of the COVID-19 response, for example in response to a variant of concern. The CCB and Senior Officials' Committee will be chaired by DPMC.

## Recommendations

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We recommend you:

1. **note** on 4 July 2022 Cabinet agreed to an indicative plan for the DPMC COVID-19 strategy and policy coordination function to transition to Manatū Hauora before the end of June 2023 [SWC-22-MIN-0118 confirmed by Cabinet] **Noted**
2. **note** Cabinet authorised the Prime Minister, Minister of Finance, Minister of Health, and Minister for COVID-19 Response to take decisions on the timing and associated appropriation changes (if any) for transition of functions [SWC-22-MIN-0228 confirmed by Cabinet] **Noted**
3. **note** that the above Ministers have since jointly approved the transition of all COVID-19 functions except the strategy and policy coordination function **Noted**
4. **note** that the above Ministers to-date have approved the associated fiscally neutral transfers to Vote Health of \$1.852m for Manatū Hauora and \$5.761m for Te Whatu Ora for 2022/23 only (DPMC-2022/23-88 and DPMC-2022/23-416 refer) **Noted**
5. **agree** to transition the DPMC COVID-19 strategy and policy coordination function to Manatū Hauora by the end of March 2023 **YES/NO**
6. **agree** a fiscally neutral transfer of \$0.350 million from Vote Prime Minister and Cabinet to Vote Health to fund personnel costs to the end of June 2023 to deliver the COVID-19 strategy and policy coordination function **YES/NO**

7. **approve** the following fiscally neutral adjustments to give effect to recommendation 6, with no impact on the operating balance and net debt: YES/NO

	\$m – increase/(decrease)				
	2022/23	2023/24	2024/25	2025/26	2026/27 & outyears
<b>Vote Prime Minister and Cabinet</b> <b>Minister for Covid-19 Response</b> Departmental Output Expense: COVID-19 All of Government Response (funded by revenue Crown)	(0.350)	-	-	-	-
<b>Vote Health</b> <b>Minister of Health</b> National Response to COVID-19 Across the Health Sector MCA Departmental Output Expense: National Health Response to COVID-19 (funded by revenue Crown)	0.350	-	-	-	-

8. **agree** that the changes to appropriations for 2022/23 in recommendation above be included in the 2022/23 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply YES/NO
9. **note** that the transition of the strategy and policy coordination function to Manatū Hauora and associated above transfer of funding will complete the decentralisation of COVID-19 All of Government response activities previously undertaken by the Department of the Prime Minister and Cabinet Noted
10. **agree** to proactively release this briefing with any necessary redactions as appropriate under the Official Information Act. YES/NO


*Brook Barrington*

**Brook Barrington**  
**Chief Executive**  
**Department of the Prime Minister and Cabinet**

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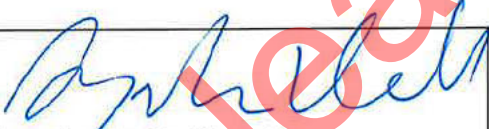
**Rt Hon Jacinda Ardern**  
**Prime Minister**

.....

  
**Dr Diana Sarfati**  
Director-General of Health and Chief Executive  
Ministry of Health  
11 / 11 / 2022

**Hon Grant Robertson**  
Minister of Finance  
...../...../.....

**Hon Andrew Little**  
Minister of Health  
...../...../.....

  
**Hon Dr Ayesha Verrall**  
Minister for COVID-19 Response  
25 / 11 / 22  
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## Background

11. On 4 July 2022 Cabinet agreed to an indicative plan for the DPMC COVID-19 functions to decentralise to health agencies this financial year. Cabinet agreed that the All of Government (AOG) strategy and policy coordination function would be retained at DPMC until the next round of legislative reform is complete, with functions transitioned to Manatū Hauora no later than 30 June 2023. Cabinet authorised the Prime Minister, Minister of Finance, Minister of Health, and Minister for COVID-19 Response to take decisions on the timing and associated appropriation changes (if any) for transition of functions [SWC-22-MIN-0228 confirmed by Cabinet].
12. Ministers with powers to act agreed in October 2022 to the following transition of DPMC COVID-19 functions to Manatū Hauora and Te Whatu Ora Health New Zealand (DPMC-2022/23-88 and DPMC-2022/23-416 refer):
  - a. System response, readiness and planning; insights and reporting, including modelling and geospatial analysis, transitioned to the Public Health Agency of Manatū Hauora at the end of October 2022
  - b. Strategic communication, coordination and communications to address COVID-19 mis and disinformation transition to Manatū Hauora on 16 November 2022
  - c. Communications campaigns and channels; the Unite Against COVID-19 website, social media, design; and public and iwi engagement transition to Te Whatu Ora on 16 November 2022.

13. Ministers also approved fiscally neutral transfers from Vote Prime Minister and Cabinet to Vote Health for 2022/23 only of \$1.852m for Manatū Hauora and \$5.761 million for Te Whatu Ora to enable those agencies to continue existing service contracts and to deliver the above functions.
14. Strategy and policy coordination is the last DPMC COVID-19 function to transition to Manatū Hauora.
15. Officials from DPMC and Manatū Hauora have conducted a due diligence process and this paper seeks agreement from the Ministers with powers to act to transition the DPMC COVID-19 strategy and policy coordination function to Manatū Hauora by the end of March 2023. Both agencies support the proposals in this paper which take into account recent decisions by Cabinet, including on the COVID-19 Public Health Response Act 2020 [CAB-22-MIN-0446].

### **System coordination and leadership**

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16. Delivery of the Government's strategy to manage COVID-19 has benefited from a strong AOG coordinated and collaborative approach. The COVID-19 response has been delivered by different parts of the public service and through extensive cross-agency collaboration and integration. The functions established in the DPMC COVID-19 Group were stood up rapidly to respond to the extraordinary circumstances of the pandemic and the need for clear integration and coordination across the different parts of the COVID-19 system.
17. We are now in a different phase of managing the virus, moving from mandatory measures to using guidance and from broad-based frameworks to using specific public health measures. A move to COVID-19 management at the agency level is in line with this.
18. Analysis and advice to decision-makers, implementation of decisions, and readiness activities continue to require system coordination to deliver the Government's strategy to manage COVID-19. Due diligence discussions and the handover of functions has included a primary focus on supporting the health agencies to continue to deliver an AOG approach.

### **Transition of the DPMC COVID-19 strategy and policy coordination function**

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19. The proposed timing for transition by the end of March 2023 takes into account the work the DPMC COVID-19 Group (COVID-19 Group) will contribute to over the coming months. This includes implementing recent Cabinet decisions on the COVID-19 Public Health Response Act 2020 (the Act) [CAB-22-MIN-0446], a review of COVID-19 settings in early 2023, and incorporating lessons learnt into policy considerations for future pandemic legislation (which will be led by Manatū Hauora). DPMC anticipates that there will be a gradual decrease in staff employed at the COVID-19 Group in the strategy and policy function, to around half of its current staff by January 2023 (circa 8 FTE).
20. Between now and transition at the end of March, DPMC will continue to provide AOG advice to Ministers on COVID-19 settings following public health reviews. It is intended that the first regular review in 2023 be led by the Manatū Hauora policy team and supported by DPMC to support the hand-over of the AOG coordination elements of the policy advice.
21. The proposed timing for transition by the end of March also enables the COVID-19 Group to continue to support Manatū Hauora policy and legal functions that are leading on the extension of the Act. The COVID-19 Group will undertake preparatory work to support reintroduction of mechanisms proposed to be removed from the Act, if needed. This will help to minimise the time it would take to reintroduce the mechanisms. The work includes the

preparation of draft legislation and documentation of factors to be considered, the decision-making process and other policy considerations, including how it links to the variant strategy. In addition, the COVID-19 Group will continue to work on incorporating lessons learnt and the feedback from engagement into policy considerations for future pandemic legislation.

22. The COVID-19 Group will ensure that the AOG policy coordination function is suitably documented to support future reviews and is available to DPMC and Manatū Hauora should the COVID-19 risk increase in the future.
23. Preparation and handover of this documentation to Manatū Hauora will be critical to support a successful transition of the function, with future advice to Ministers continuing to reflect AOG considerations.

#### *Governance*

24. After transition, Manatū Hauora will be responsible for AOG coordination to ensure analysis for, and advice to, decision-makers reflects all aspects of the Crown's Te Tiriti obligations and the economic, social, and fiscal aspects of managing COVID-19, including seasonal planning. In the event of a resurgence/variant of concern, advice needs to reflect the AOG implications of reintroducing measures to manage COVID-19.
25. For an interim period after the transition, a COVID-19 Senior Officials' Committee (SOC) will be established. The purpose of the SOC will be to ensure an AOG perspective is applied to Cabinet papers and significant briefing papers to relevant Ministers that require system input, such as changes to COVID-19 policy settings. The SOC will not be responsible for drafting advice to Ministers and consultation with the SOC will not replace agency consultation that occurs during the development of advice.
26. The SOC will be chaired by DPMC. The Chair will maintain a close relationship with the Chair of the COVID-19 Chief Executives Board (CCB), a standing committee of the Officials' Committee for Domestic and External Security Coordination. This will enable the Chair of the CCB to be appraised of emerging risks and issues and to convene the CCB in the event of a significant resurgence or emergence of a variant of concern.
27. The CCB will remain active for as long as it is required to provide leadership across the AOG aspects to managing COVID-19 in line with the Government's strategic approach. It will continue to be chaired by the Chief Executive of DPMC.
28. These arrangements will support DPMC to provide strategic advice to the Prime Minister and Cabinet on coordination and changes to the overall strategy and direction for managing COVID-19.

#### **Financial Implications**

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29. The due diligence process was guided by clear expectations from Ministers that there is a very high threshold for any existing DPMC COVID-19 funding to transfer alongside functions. Guidance was provided to receiving agencies that given the current fiscal situation and that future budget allowances are tight, the expectation is that costs arising from the transfer of people or new staff to undertake the transferring functions (salaries and associated overheads) should be able to be absorbed within departmental baselines, especially in larger organisations with greater headroom.
30. Agencies were advised that funding transfers may be considered for significant fixed costs, such as existing contracts or other infrastructure needed to continue the COVID-19 response, or bespoke capability or specialist roles not currently resident in the receiving agency that need to be established to deliver the function. In both cases, the receiving agencies were advised that they needed to demonstrate they are not in a position to reasonably reprioritise existing funding.



31. Agencies were also advised that any funding transferred from Vote Prime Minister and Cabinet would be for 2022/23 only, as this Vote does not have funding appropriated in outyears for the COVID-19 Response.
32. There are no existing contracts or infrastructure associated with strategy and policy function to transfer.
33. Manatū Hauora has provided the following rationale for the proposed fiscally neutral transfer of \$0.350 million from Vote Prime Minister and Cabinet to Vote Health for 2022/23 only to fulfil the strategy and policy coordination function:
  - a. The funding involved was always intended to fund the COVID-19 strategy and policy coordination function
  - b. Manatū Hauora's funding for COVID-19 work expires in December 2022, meaning the Ministry is already needing to absorb the costs associated with the delivery of ongoing advice pertaining to COVID-19, in the context of COVID-19 case numbers rising once again
  - c. Given the recent health reforms, Manatū Hauora has assumed a significantly larger leadership, stewardship and system oversight role, with major new strategy and policy delivery expectations to meet from within baselines.
34. Manatū Hauora advise that the strategic policy function is also constrained given the expectations it is leading the six statutory health sector strategies and other key government priorities, including therapeutics reform and ongoing COVID-19 health advice (including advice on pandemic recovery and ongoing monitoring of the situation through regional public health services). This will be amplified in the lead up to winter when the effects of COVID-19 may need to be planned for and managed more closely.
35. In this context, Manatū Hauora advise the overall budget is already under significant pressure to meet the expectations above associated with accommodating the recent health reforms. There is no latent budgetary capacity for Manatū Hauora to take on a further new function without supporting funding already allocated for the purpose.
36. Manatū Hauora advise it has provided assurance to Ministers that the proposed fiscally neutral transfer of \$0.350 million would be used for the intended purpose – i.e. to support its new role for AOG COVID-19 policy coordination, alongside its existing role in advising Ministers on the appropriate public health response to COVID-19.
37. It is expected that up to eight full time equivalent staff will be required to deliver this function within Manatū Hauora for the three months to 30 June 2023 at a cost of \$0.350 million.
38. A fiscally neutral adjustment of \$0.350 million is sought from Vote Prime Minister and Cabinet to Vote Health for 2022.23 only to fund these costs to 30 June 2023 to deliver the strategy and policy coordination function.
39. If this briefing is approved, the total amount to be transferred for all functions transitioning from the DPMC COVID-19 Group for 2022/23 only will be \$2.202 million to Manatū Hauora, and \$7.963 million to Te Whatu Ora.

### **Te Tiriti o Waitangi analysis**

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40. Officials are involved in regular engagement with iwi and Māori representatives to understand the impact policy changes may have on Māori and ensure a good understanding of priorities. These engagements also provide opportunities to gain insight to how the Government can support what Māori consider is the best approach for sharing information with Māori and to develop targeted communications to enhance the effectiveness and reach of COVID-19 related communications.

41. Responsibility for the engagement with iwi and Māori representatives on COVID-19 policy changes that the DPMC COVID-19 Group currently undertakes will be transferred to Manatū Hauora as the lead agency.

### **Next steps**

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42. Once decisions have been taken by Ministers, the implementation phase will include working through a handover to ensure smooth transition. Treaty partners and stakeholders will be informed of the new arrangements.

### **Consultation**

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This briefing was jointly prepared by Manatū Hauora and the Department of the Prime Minister and Cabinet. The Treasury was consulted and the COVID-19 Chief Executives Board was informed of the proposals in this paper.