

In confidence

24 April 2025

Hon Brooke van Velden
Minister of Internal Affairs
Parliament Buildings
WELLINGTON 6160

Dear Minister,

Quarterly Report to 31 March 2025

On behalf of my fellow Commissioners, I am pleased to provide you with the quarterly report for Phase Two of the Royal Commission of Inquiry into COVID-19. The report covers the period 1 January to 31 March 2025. This follows our first report to you covering the period October to December 2024, and the interim report we discussed with you at our meeting on 13 March.

You will see that we have built on the format used for that interim report and added a discussion of our budgetary situation and the risks facing the Inquiry.

Progress on priorities

The Inquiry has made positive progress during this quarter. As outlined in more detail in the attached report, in this quarter we have:

- Completed all establishment activities.
- Begun the process of analysing the material received in response to our s20 production orders.
- Completed analysis of the first 1,200 public submissions received.

In the next quarter we aim to:

- Complete the analysis of all submissions and s20 material.
- Complete most, if not all, of the 26 planned individual interviews.
- Complete most of the 80 planned group engagements.
- Initiate several original research projects utilising data that is now available on the impacts/consequences of covid and the response.

Two weeks of hearings are planned for July (for affected parties) and August (for decision makers and advisors). You may notice that these hearings dates differ from those we discussed with you in March. We have brought the hearing for affected parties forward, and pushed the one for decision

makers out, to provide us with more time for preparation based on what we see and hear in public submissions and interviews. These scheduling changes will not affect our overall timelines and ability to deliver our final report on time.

Financial Performance

The Inquiry has incurred costs to date of \$2.703 million, against a full year budget of \$5.889 million. We expect to underspend our budget for the current year by around \$0.109 million. That will be carried forward into the FY2025/26 financial year. We are confident that we will deliver our report within the agreed overall appropriation of \$14.038m. More detail on our financial performance is provided in Appendix 1.

Risks

In a significant change to the way the Inquiry interacted with Crown agencies and the public service during Phase 1, Crown Law has appointed Victoria Casey KC to receive all correspondence and interview requests for public sector information and interactions. Ms Casey will be attending all interviews with officials and other public sector people.

Secretariat staff and our external counsel are working through issues of scope and relevance raised by Ms Casey in respect of parts of our s20 requests for information, and some interview requests. There is a risk that some of these issues may take time to resolve. Potentially, this may limit the information we are able to obtain in response to our s20 requests, and the upcoming interviews with officials (scheduled to begin next week). It is too early to know whether these issues will be resolved expeditiously. Obtaining outstanding information through s20 requests and interviews could take longer than our present timeline allows and could possibly result in less information being obtained than currently seems appropriate. Even if this risk fully eventuates, we are confident we will be able to produce our report on time and within budget.

Ongoing programme planning

You may remember that we shared a high-level timeline for the Inquiry with you at our meeting on 13 March. That timeline, included in Appendix 2, set out our proposed sequence and timing for the different phases of the Inquiry.

At this stage there are some pressures on timeframes. We are in the process of updating and refining our plan and setting out the various tasks. We are looking at workstream scope, dependencies and interdependencies to determine how best to navigate risks, the pressure on resources, and make the best use of wider secretariat capabilities in delivering on our terms of reference. That detailed assessment will increase our ability to deliver our report on time and within budget under all eventualities. We will take account of the risks inherent in the Crown Law approach to public sector interviews discussed above in preparing that updated plan.

Consultation and release of this quarterly report

In line with the previous quarterly report process, we have shared a copy of the quarterly report with the Inquiries team at DIA and we plan to publish this report on the Inquiry's website around 9 May 2025.

Please do contact me if you have any questions or wish to discuss anything further. We would welcome the opportunity to meet with you again in relation to any feedback you may have, or to provide you with any additional information about the work of the Inquiry you may require.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'G M Illingworth', with a large, sweeping flourish extending to the right.

G M Illingworth KC
Chair of the Inquiry

Appendix 1 – Financial Performance

Detailed financial planning and forecasting, including phasing, has been completed for the full tenure of the Inquiry. Establishment of this important baseline has further reinforced confidence in the Inquiry’s ability to complete Phase 2 activity within the agreed budget envelope.

As of 31 March 2025, the Inquiry has incurred costs of \$2.703 million, including non-departmental costs for Commissioners. This expenditure is generally in line with normal bell-curve spend patterns for Inquiries.

The following table provides a more fulsome breakdown of actual and forecast expenses through to end June 2026. The most significant costs are for personnel, evidence gathering research and submissions analysis, Commissioners and counsel assisting.

	YTD Actual (31 March)	Full year forecast	Budget	Whole of Life cost
	2024/25 \$million	2024/25 \$million	2025/26 \$million	2024 - 2026 \$million
Controllable expenditure - operations	1.628	4.021	5.954	9.975
Personnel	1.088	2.096	3.476	5.571
Other Operating Costs	0.259	0.403	0.743	1.146
Consultant, Outsourcing and Professional fees	0.138	1.204	0.856	2.060
Rental, Leasing and Accommodation Costs	0.130	0.254	0.766	1.019
Travel	0.014	0.065	0.114	0.179
Uncontrollable expenditure - support	0.716	1.268	1.605	2.873
Commissioner costs	0.359	0.600	0.590	1.190
Total Expenditure	2.703	5.889	8.149	14.038

The current full year forecast for 2024/25 includes a small underspend of around \$0.109 million that will be carried forward into the 2025/26 financial year. This unallocated spend is held in Other Operating costs.

Appendix 2 - High level, indicative workplan to February 2026

This high-level indicative workplan shows key activities to deliver the Inquiry report by the end of February 2026. Decommissioning activities are not shown, however these do form part of the extensive planning activity underway, in concert with delivery activities.

