

Claimant Reference Group Minutes**Date:** Monday 5 October 2020**Time:** 9.30 am-4.00 pm**Location:** Ministry of Business, Innovation and Employment, 161 Cashel Street, ChristchurchAttendees

CRG Members:
Ali Jones (AJ) Chair
Dean Lester (DL)
Phillipa Moore (PM)
David Townshend (DT)
Jo Petrie (JT)
Tom McBrearty (TMcB)
Linda Ngata (LN)

Minute Taker: Raylene Palmer**Guests:** - Pip Andrew, Jane Bryden, Chris Somerville, Andy Tulloch, Steve Cantwell and Helen McDonald via Zoom (Treasury)**Apology:** - NoneAgenda Items

#	Item	Time	Notes
1.	Welcome & housekeeping		
1.1	Confirm today's agenda Conflicts of interest	9.30 am	
1.2	Open discussion including: preparation for Treasury ZOOM at 3pm		
1.3	Other CRG business related to attendees		
	Morning Break	1030am	
2.1	Pip Andrew – On Solds	(10.35 am) 11.00 am- 12.25 pm	To discuss: TBC
	Lunch	12.30pm	
3.1	Chair Chris Somerville (CEIT)	1.00 pm-1.55 pm	To discuss: TBC
3.2	Treasury ZOOM: Helen McDonald and Steve Cantwell	2.00 pm-4.00 pm	
	Meeting closure	4.00 pm	

Tracking for future meetings

Item outline	Action required	Person or group responsible & Action Date for reply
	Prepare written proposal and pitch to EQC for open forum of technical experts	

Minutes 5 October 2020**1. Welcome and housekeeping****2. Confirm today's agenda**

- The Chair requested any additional agenda items from the members.
- It was suggested an open forum of technical experts; a webinar during lockdown was good. CRG suggested the idea could be that an independently set up forum, homeowner-driven with homeowner issues, insurers answer questions, and possibly funded by EQC. Independent MC, a panel of up to 4 engineers.
- Possible questions/issues: What is damage? Consider different ages of foundations etc. EQC and insurers may have their own live issues too. Wouldn't cover land or geotech. Focussing on structural engineering matters. Suggested that a written proposal is produced and pitched to EQC. Agreed by CRG.

Action: Ali to draft.

Conflicts of interest

- No conflicts of interest.

3. On Solds – Pip Andrew and Jane Bryden

On Solds - Prep discussion: CRG members discussed matters "in committee" before being joined by JB and PA.

On-Solds PA and JB joined meeting.

- Issues raised by CRG included the consistent mention of "contractors" when a homeowners experts may in fact include a structural engineer, geotechnical engineer, roof expert etc. A contractor is usually taken to mean a builder.
- The word *Ex gratia* needs an asterisk where it is mentioned, linked to an explanation in a glossary. Make clear at the beginning of the document that a glossary is to be found at the back of the document.

- Discussed difference between assessment work (the insurer) and providing burden of proof (homeowner). The Insured has to understand the definition of damage and required repairs.
- Homeowner should know how important it is to take photos of damage and provide pics of before the damage, if possible.
- CRG discussed the importance of terms of ref, LOE for an engineer / engineering / damage assessment. Discussed the possible need for a less detailed version of a full engineering report to provide enough “proof” that it is more likely than not, that a full report is required.
- Report payment – who, how (reasonable costs), informing homeowners of what is good practice. Short form agreements - what they are etc.
- There are probably people in the middle - not obvious structural damage but likely (need help with burden of proof) and knowing what info they need to go forward.
- Register for on-sold, email go back to the homeowner asking them to provide EQC with proof of damage.
- CRG asked re: Failed repairs now being questioned by EQC whether they are structural or not - If it was structural when it was first repaired, it’s still structural.
- 3200 applications now after media coverage.. 1000 are registration only currently and may not go near cap, they are protecting their position. 10% ineligibility rate, dropping out of process. 1800 remaining and 200 are currently under cap and unlikely to go over cap as only minor damage. Sit within EQC Canterbury EQ programme and there is no crown liability for those. All that go over cap are Pip’s team. Need to wrap process around those unlikely to go over cap.
- CRG emphasised it is important that silo’s are not created between On Solds and Canty Claims as they need to be well connected.
- Claims assurance team - level of info provided needs to be jointly managed between both Canty BAU and On Sold teams.
- Confusion in the middle ground for claimants – not clear on what they need to do? More for discussion with KT.
- It was asked how do we rationalise and make clear the two different teams dealing with On Solds, over cap and under cap. The homeowner shouldn’t have to interpret which team they are in. EQC agreed.
- It was suggested having the two teams (Canty Claims and On Sold overcap) seems to be reinforcing the silos. All registrations come to PA’s On Sold team and they are triaged. Message needs to be reiterated once claims are in KT’s Canty Claims (On Sold undercap) team using the same language.
- BAU claims need to also be given the same information eg: getting right experts etc.
- CRG asked, once BAU claim done, then two years down the track the HO finds more damage and PA suggested the programme may not exist in a couple of years.
- Suggested wording “If you have this, this and this, then this is the checklist”. CRG said it should be emphasised to claimants that choosing a Builder is likely to be the most important monetary decision you ever make.
- PA three documents needed:
 1. Original document finalised this week.
 2. You are under cap and not eligible and here is the process you have to follow but should you go over cap, you will be eligible.
 3. Ticked all the right boxes, eligible over cap and here is how we get you to repair as quickly as you can.
- It was suggested that PA could come back on Thursday if a flow chart is available to be discussed with CRG.
- CRG pointed out there are 17 different places in the document directing the reader to another website - too many. Also need to use a different word for “elements” eg: jobs, tasks, details?

- Suggested KT and PA meet with CRG together at 9.30am on Thursday.
- PA gave overview of documents needed, highlighting the pathway, possible forks in the road and where a claims will/could end up. e.g. Under cap, and where will end up if go over cap and what the process is.
- Second paragraph needs to include contractors, experts and professionals , “Section 1 team of experts , professions you need to undertake the work required” to make sure people know more than a “contractor” (Builder) may be needed.
- Define ex gratia.
- Damage assessments change to scope of repairs.
- Page 7 Managing Contract Issues. Says “All repairs” – suggest is changed to “all earthquake damage repairs”.
- Required standard is the “as when new” standard.
- Clarity needed regarding EQC paying for scope of repairs.
- CRG said– Page 3 Co-funding - undertaking homeowner’s renovations is helpful but has to be shown separately in addition to repair work eg: show as a variation in all professionals’ quotes.
- Page 5 – banks – EQC don’t have an obligation to pay the mortgage but homeowners may have an obligation to pay the bank. Need homeowners to go and talk to the bank and need banks to understand the On Sold / Ex gratia situation which is different to what has been happening for the last decade, generally speaking.
- Independent Project Manager included in a repair – it’s a repair cost. EQC just has to be satisfied that it is a reasonable cost.
- It was asked if there are enough experts to cover the on sold work. It was suggested PA contact Canterbury Master Builders.

- **Chris Somerville (CS) and Andy Tulloch (AT) – Canterbury Earthquakes Insurance Tribunal**
- Chair of the CEIT, Chris Somerville, updated the CRG on the work the Tribunal has been doing since he last attended a CRG meeting. This included his comment that claims are settling; of the 52 cases that came in the first six months about 80% are resolved and 8 went to a hearing. Defective repair claims are now settling.

5. Treasury Zoom – Helen McDonald (HMCD) and Steve Cantwell (SC)

Following a request to meet with the CRG, a ZOOM was held where specific issues related to the review of the EQC Act were discussed - these included (but were not limited to) land cover, cap amount, and valuation of retaining walls. This was the second meeting held with Treasury on this matter.

General Business

- **Human Rights Commission** EQC advised that the Human Rights Commission would like to talk to the CRG. AJ to contact and arrange suitable time.

The meeting closed at 3.50 pm

Claimant Reference Group Agenda

Date: Day 2 – 8 October 2020 (Thursday)

Time: 9.00 am-4.00 pm

Location: MBIE

Attendees

CRG Members:
Ali Jones (AJ) Chair
Dean Lester (DL)
Phillipa Moore (PM)
David Townshend (DT)
Jo Petrie (JP)
Linda Ngata (LN)
Tom McBrearty (TMcB)

Minute Taker: Raylene Palmer

Guests: Sid Miller (SM), Josh Lindsay (JL), Kate Tod (KT), Pip Andrew (PA), Jane Bryden (JB), Benesia via Zoom

Agenda Items

#	Item	Time	Notes
1.	Welcome and Housekeeping		
1.1	Confirm today's agenda On Solds 3200, slow responding, resourcing, are templates for training right eg: Dame Silvia report 3.1 setting processes and roles....., Roadblocks for GCRS from SR/EQC, back to how they were Positives - listening to us, training people	9.00 am	
2.1	Kate Tod	9.30 am	Or Kate and Olivia both together 930am – 1130am
	Morning Break	10.30 am	
3.1	Olivia Payne	10.40 am 11.30 am	Cancelled
	Jo Petrie	11.40 am	Present Kaikoura audio project, featuring claimants – look at how CRG may be able to progress claimant issues utilising this audio.
	Lunch	12.30 pm	
4.1	Sid Miller Josh Lindsay (IRM programme)	1.00 pm – 2.30 pm	
5.1	Benesia TBC National CRG	2.40 pm – 4.00 pm	
	Meeting closure	4.00 pm	

Tracking for future meetings

Item outline	Action required	Person or group responsible & Action Date for reply
	Inform CRG what sample size is for last 12 months at next CRG meeting Monitor claims settled with engineering and in particular using [REDACTED] and [REDACTED]	K Tod Next CRG meeting
	Provide staff training documentation to CRG.	K Tod
	Suggest EQC run a webinar for on sold claimants. Good comms, can ask questions.	P Andrews
	SM/JB – Kaikoura research documentation which EQC has advised, helped inform the IRM development to be given to CRG especially Inquiry Recommendations. TPAs (Third Party Administrators) eg: Gallagher Bassett, Sedgwick etc. International Loss adjusters Stats and info from Hurunui, Kaikoura, Marlborough review. Agreed session with Treasury on managed repair programme feedback from CRG and other outstanding matters from previous meeting.	S Miller/J Bryden
	Letter re National Reference Group needs to be with Benesia by 21 October. Looking at 9.00 am 19 October to get together face to face to finalise letter. AJ to circulate current letter in next few days. Put thoughts on paper with regard to the national group. Reason is want to make sure we are reflecting the CRG members input.	A Jones

Minutes 8 October 2020

1. Welcome and Housekeeping
2. Kate Tod, Pip Andrews, Jane Bryden
<ul style="list-style-type: none"> ● KT gave overview of status of claims as at September: settled 550 claims and received 614 but experiencing very high volumes of enquiries for claims assurance (re-opens), 1110 for September but normally 600-800 and of 1110, reviewed 800 and working on backlog. ● A resourcing plan is in place, call centre high volumes, more people starting next week, working long hours, communicating to GCRRS. 21 staff have moved to On Sold or strategic partnering. New staff starting this week and next two weeks.

- Claims assurance team: review claims before going to claims settlement team. High volumes to claims assurance team; 50% new owners. Contact Centre do ask callers how they heard about On Solds– doubled enquiries to call centre and majority from mail out. Spike in OIA requests. If customer doesn't have access to a computer, Legal has confirmed that EQC can register for them. CRG suggested if already on the phone why not just register them?
- Based on last CRG meeting feedback, QA team going to review look at last 12 months, sample of claims settled looking at engineering original engineering position, where it ends up (settlement of claim, if there was a change in position start to finish and why?)
- CRG queried sample size. Looking at the Last 12 months is agreed as a reasonable timeframe to review.

Action: KT to update CRG re what sample size is.

- CRG suggested that current claims should be looked at as they go through system so review is up to date / quality assurance is current and ongoing.

Action: KT agreed this is a good idea.

- CRG member talked about the example of a young licensed building practitioner educated by EQC , any chance of re-education cycle coming in early, updating them on most recent best practice etc?
- CRG raised re: cash settlement - still EQC role to be there. But if homeowner chooses cash repairs and homeowner is doing the work, then they engage the experts and they produce a the scope. Agreed.
- CRG stated homeowner needs to understand visibility to EQC that they are meeting requirements of the Act. What happens, what does the homeowner provide? CRG asked what is in place? If nothing, put something in place to help.
- KT SR/EQC/GCRRS meeting and discussed coming up with a flow chart*. One CRG member has seen first draft. Need consistency across the organisation to get there.
- CRG asked, when EQC person goes to site to assess damage – who is it? KT explained if claim settlement specialist has not got that expertise, take a tech specialist to go to site and they also bring in a contractor for areas not expert in. CRG asked what is the training material – can we see that?

Action: KT to provide training documentation to CRG.

Action: JB/EQC to provide flow chart (PA)

- PA – on sold programme, homeowner provide info, EQC go through info and agree.
- CRG said standards need to apply for all scenarios of settlement.
- CRG said regarding the front end assessment and burden of proof - there's confusion around these issues and the corresponding action related to undertaking repair work. Overlap of these elements is causing confusion.

- CRG said burden of proof requires engaging someone to assess.
- Homeowner to prove loss, extent of what they need to provide to prove loss? KT says photos, LBP report – not necessarily engineers, look at history of claim, what is customer issue. Just need enough info to reopen. PA said Comms team working on info pack, standard is clear for everyone who touches the application. CRG to be included in feeding back on Comms pack.
- CRG said an operational instruction is needed around the burden of proof
- CRG said clarity is needed around what sits in what box and who is responsible for it? Also a Comms issue.
- CRG said clarity is needed around whose job is to assess the damage?
- CRG suggested looking at the recent Salisbury St and Vero case–parts are helpful for onus of proof and could be used to provide that clarity.
- KT – tabled an actuarial model draft for discussion

Re-opened

- EQC reported: Target 90% of re-opened settling within 6-7 months. Where less than \$30k, just pay but can't support paying if no evidence of earthquake damage. Some requests from GCRRS have no evidence of earthquake damage, even if it's only \$10k we can't support if no evidence of earthquake damage.
- CRG members said they are getting feedback from claimants, experts and builders, that there is more "push back" from EQC, it is now more difficult to deal with EQC. Some of this push back is unreasonable and not based on fact.
- KT noted that some of the additional questioning from EQC is based on establishing fact and the need for clarity around damage, the proof of which is the customer's responsibility, KT further noted that a shift may have become obvious to claimants in February when EQC did re-emphasise the need for burden of proof. KT says a claims 'toolbox' session is held every fortnight - DOA, watertight homes, and engineering review, claims assurance process etc. coming up. EQC manual training also on the agenda for all staff.
- Wellbeing trends discussed. KT goes to every team meeting at least every 6 weeks. EAP available. Claimants similar to last 12 months, increasing numbers with GCRRS and a lot of them On Sold, 120.
- KT considers reopens will happen for some extended time.
- PA customer comms piece is being updated with CRG comment and contractor/expert piece. Have gone through how it works between the two teams, with flow chart - On Solds and Canty Claims. Make it a customer document so its clear what the path is and who will end up with it. Need to be clear on the burden of proof, assessment, repair, transparent around what this means and who is responsible for what.

- Piece worked on earlier in the week, this is a repair document. Worthwhile info for people going into EQC so process is clear. KT happy to look at this and compare with current Comms plan. Will take some weeks to get this sorted and then look at how this is disseminated.

Action: CRG suggested EQC run a webinar for On Sold claimants. Good comms, can ask questions EQC to consider - felt it was a good idea.

- CRG asked questions on the actuarial modelling, Sept/Oct figure how do they relate to forecast so 1600 so gone up. Simple, moderate and complex is time based eg: Simple up to 3 months.

Action: Kate and Pip to attend CRG meeting together.

Morning tea break at 11.00 am and reconvened at 11.20 am

3. Kaikōura Audio Project - Jo Petrie

- Jane Bryden exited the meeting
- From last meeting, recap discussion when EQC wanted examples of why CRG held concerns on the insurer led model. Asked to provide examples of people in Kaikoura who have been through the process which was not good for them. It was agreed that a letter be sent to Sid, MJ, Jo Horrocks and an audio example of a Kaikōura claimant. Draft letter read through and reviewed.
- Audio came about by a consultation project to get understanding of Maori claimants experience of the insurance journey. The experiences of approx 48 participants were gathered using Survey Monkey and face to face interviews 5 of which relate to Kaikōura The group felt that concerns raised with these participants are consistent with concerns other CRG members had received feedback on. Currently providing one recording with more available on request.

Note: Letter to EQC CE, MJ and Jo Horrocks re concerns around IRM has not been sent as the IRM briefing addressed several of the questions and issues that had been raised by CRG.

4. IRM Programme –Sid Miller and Josh Lindsay

Presentation by Sid Miller on Insurer Response Model and Treasury Work Programme for Future Managed Repair Capability

Action: SM/JB – Kaikoura research documentation which helped inform IRM development to be given to CRG. TPAs (Third Party Administrators) eg: Gallagher Bassett, Sedgwick etc. International Loss adjustors Stats and info from Hurunui, Kaikoura, Marlborough review. Agreed session with Treasury on managed repair programme feedback from CRG. (COMPLETED)

5. National CRG – Benesia

A3 Document Discussion

Continued discussion re the National Reference Group.

- Page 3 statutory functions looking like. Have CRG got further in thinking statutory functions, strategic outcomes, priorities operating model?

- Function, Scope and Purpose of Group/s.
- Function could cover / represent communities of interest with a claimant centric focus and reflective of the Treaty partnership.
- Scope – issues for direct purpose customers and claimants.
- Purpose is to ensure a claimant’s experience and outcome for the claimant. Enduring, effective, transparent, efficient for the claimant.
- Functions: all clear functions need to be consistent with EQC’s statutory functions and government approach to natural disasters, making sure the function deals with the 4 Rs “Reduction, Readiness, Response, Recover” components. As Act under review, not sure about the statutory functions being commented on.

Actions:

AJ to draft letter to EQC board, copying in Benesia re: the CRG’s recommendations around the establishment of a national reference group. (COMPLETED)

Action: Letter needed by 21 October. Looking at 9.00 am 19 October to get together face to face to finalise letter. AJ to circulate current letter in next few days.

Action: next meeting discussion re managed repair programme then meet with Treasury at next meeting.

Note: letter was required 16 October so was drafted, circulated to CRG members, edited and finalised by COB Friday 16 October. Emailed to CE’s office (for EQC Board Chair) and to Benesia Smith.

The meeting closed at 3.45 pm