

Claimant Reference Group Minutes

Date: 24th October 2019

Time: 9am -4pm

Location: Ministry of Business, Innovation and Employment, 161 Cashel Street, Christchurch

Attendees

CRG Members:
Tom McBrearty
Mel Bourke
Dean Lester
Phillipa Moore
David Townshend
Jo Petrie
Ali Jones
Linda Ngata

Minute Taker: Marion Birnie

Guests: Renee Walker, Sid Miller, Pou Havea

Apologies: Sid to leave meeting at 2.15pm

Agenda Items

#	Item	Time	Notes
1.	Welcome & housekeeping Reminder of Conflicts of Interest		
1.1	Confirm today's agenda	9.00am	
2	Approve September Minutes-	9.05am	
3	Matters arising	9.10am	
	Sid's Questions-Post CRG National. Refer to minutes. Possible discussion points: Composition Regional access Ethnic Groups Communication Access Role	10.00	
	Morning Break	11am	
3 Continued		11.15am	
	Lunch	1.15pm	With Renee, Sid and Pou
4	Renee and Sid – <i>(Sid to leave at 2.15pm)</i>	1.45pm	Update on future of CRG & general business update (On-solds and Southern Response announcement)
	Renee exits meeting	3.30pm	
10.	CRG to debrief for the day	3.30pm	

Minutes 24th October 2019

1. Confirm today's agenda

- Time will be set aside on Friday to look at how this group will work going forward.
- A number of people who have been dealing with EQC have said the pressure this group has applied has helped and there has been an attitude change. A lot does depend on where the claim is sitting at this time.
- EQC acting as agent for claims, David would like to discuss.
- The engineers that EQC prefer were discussed and the issues that can arise. Questions were raised around the support Eng NZ were giving the preferred engineers.

Ali arrived at 9:20am.

- Discussed that the engineers' instructions were the correct ones to use, how is Engineering NZ going to encourage the use of these instructions? Engineering NZ is contracted to MBIE so we need to push and hold them to account.
- Would like to know if Renee and Sid think some cases will go to the tribunal.
- Discussion was held about claimants who received an NDA from EQC with the offer of a full and final offer. There are risks around this if the claim is discovered to be short.
- GCCRS have discussed peer reviews and how the use of these helps claimants. Engineering NZ are supplying peer reviews but their only criteria is timeliness, claimant should be able to use the peer review. HOAG will be looking at this, broker model is focused on getting some form of agreement. There is no place people can go to get advice on who is best to go to. There is nowhere for other people in different regions issues.
- What is the role of GGCRS claims manager – are they just facilitating the moving around of information. They should have the knowledge and experience to go back to the engineer and ask questions.
- Dean has a claimant with a house under repair and is working out an opt-out but the GGCRS don't have the knowledge to help the home owner. Southern Response (SR) have been pushing back and saying too many people are involved in the process. Advocate has been taken of GGCRS website. Phillipa commented that it wasn't recorded properly in minutes that GGCRS said they are having these issues.

1.1 Approve September Minutes

- Phillipa minutes 20 September 2019 – CRG has access to and can hold EQC to account, HOAG doesn't have this ability
- Page12 – the feedback we got from EQC was that the Engineering NZ instruction was a great document and they were happy to adopt it.
- Page 13 replace "Its not about perfection, it's about coming to the party" with "It's about coming to the party and doing the work"
- The group discussed having a summary of the meeting rather than verbatim minutes. This was agreed.

Ali moved and Phillipa seconded the minutes with the above changes were a true and correct record.

2. Matters Arising & Sid's Question

- Will put the questions proposed to be put to Sid and Renee today to the side. They will have something to present to us on the interim but not over the long term, ie how a national group would work.
- List of outstanding action points we have for EQC to be printed for the group to review and discuss at Friday's meeting.
- The CRG has good insights that will be valuable when the national group structure is decided and the group will be able to build relationships nationwide. This will be valuable in the next disaster event in NZ. Information to be given in the initial stages can be helpful to claimants. If it is obvious a property is badly damaged would be good to get payments out to people straight away to give immediate relief. Information needs to be given that everyone needs to document damage to their properties after and event an update their records with what they have done to their properties either before or after a disaster. The fire at Auckland's new convention centre has highlighted other areas that need to be looked at eg health issues and the role of local government to lead in these emergencies.
- Could bring other people into the CRG on an as needed basis.
- Need to make sure there is education on how we look after our assets, insurers know most people haven't done this. Potential house buyers are finding that information is not available on what repairs have been undertaken.
- EQC has a broader scope than just insurance, eg the effects of stress, education around how to keep records and advice needs to be shared with public before event. There is a need to have more advice on what to do regarding insurance before and straight after a disaster to make sure people are properly prepared
- The group agrees to review the outcomes from the last year and until the review has been completed the group will continue in its current format as a transitional group. After the review has been completed the continuing existence of the group, the form and structure and the representation of the group will be looked at. This will be dependent on what Sid and Renee say, discussion will be continued at Friday's meeting.
- EQC have said they would put a caveat on on-solds to show the home needs repair. Restriction will be put on title if repairs not done. Information not given CRG. For all properties this information may be found on ECan's property search (except for multi-unit properties).
- Variations were discussed, they are not necessarily costs to the claim, and some variations will reduce cost.
- A question to be asked of EQC is what are they going to do as agents of SR regarding claims and what level of sign off will they have before it gets to the final approval.
- SR have said to claimants that if they don't agree with SR's outcome they can discuss a cash settlement. There are inconsistencies with EQC's positions and this will be a problem in EQC taking over SR's work.
- Variances in way foundation repairs are done it would be helpful if claimants had the ability to go to the tribunal. Going through tribunal is faster and cheaper than going through the courts and they can identify issues coming up consistently. Tribunal can refer back to courts for precedent.
- Ask EQC what they are putting in place regarding tribunal decisions, are they looking at it as an educational tool. Discussion was held around how the group would facilitate this, and how many

could be funded, and if no funding available where else could funding come from. Ali to draft up some words and send through to group overnight to review.

- A question to be put to EQC around how are they responding to actions out of the tribunal and learning that are coming from that process.
- A question to be put to Sid and Renee is the process around on-solds and independent experts.
- The CRG recommends Eng NZ publishes their instruction paper and letter of engagement in a easily accessible place so people in other parts of the country can find it, eg under Resources and rename an earthquake brief.

4. Renee & Sid

- EQC were congratulated on taking over the SR claims. Concern was raised about some of the entrenched attitudes from SR potentially moving into EQC. Ali will forward an email to Renee including reply from SR regarding an issue she has come across. The importance of having a robust onboarding process round the EQC way of doing things for any new staff or people coming over from SR.
- An example of the issues people are having is around the repair of foundations and the different view SR has from others.
- Renee said SR have identified ten people who are the best people to move over to EQC. Discussion was held about whether claimants had been consulted regarding some of the more problematic SR people that they have had issues with. EQC will be challenging any decisions made that will affect their brand poorly and they will be reviewing the whole portfolio to decide who is best to continue on with a claim. Will mix teams up so there is cross pollination.
- The representation within CRG that EQC should consider not employing possibly any SR staff for the benefit of having fresh eyes looking at claims and removing any entrenched positions.
- Renee said a defined set of claims that will stay with SR – these will potentially be cases that are going through tribunal. Sid said SR will have the decision making rights – EQC will make recommendations
- Cases going to the tribunal will be discussed, this is viewed as being positive process but the majority will be going through the courts without publicity.
- Sid said with all of these cases will be seen as a learning experience whether they have been through the court or the tribunal and there is more learnings from the process than in the judgement.
- In some specific situations when an outcome hasn't been agreed EQC have offered a settlement.
- The EQC manual will be circulated to the CRG. The document is not set in stone, EQC felt it would best to just develop the document as a starting point.
- EQC are speaking with insurers regarding different scenarios and look to make the claimant experience better.
- For future events EQC will be using strata modelling and will know within hours which houses will be affected most. Global loss adjustors are using more technology to capture records of properties. This technology can start to be used now.
- Discussion was held regarding education needed for what people should do before and after an event.
- Sid said EQC are keen to get advice from the CRG on the formation of a national model.
- Everyone needs to be clear on the cultural changes within the industry that will be needed to respond so there is a more positive response to claimants.

- Discussion was held about variations and how they worked. Renee wants to get information out to claimants and real estate agents. Issues have been discussed with lawyers but real-estate and banks are not willing to engage.
- Renee will get an update on what MBIE are doing regarding education on what to do before and after an event. There will be a page on EQC's website regarding on-solds and also a 'buyer beware' page.
- Renee said it is hoped the land matter court case with insurers will settle. The court date set down is 2021 so there is still time.
- EQC are now looking at the 200 claims transferred from SR to EQC.
- EQC have asked a number of claimants to do a drainage check and they have not had a large uptake on the offer. Renee will find out if people are being told the risks of not taking up the offer.
- EQC were asked about legal guidance and if there will be an opportunity for this to be updated or will be incorporated into the manual. Renee said this could be updated.
- Philippa asked how we move forward with an action plan. Tom to look for email he sent around getting these actions done.
- Discussed when EQC hires an expert the report is not transferable to the claimant. If claimant gets report done it can cause confusion. Sometimes the claimant gets the same company with a different outcome. Is EQC liable if the expert report issued and the repair is not right? If there is an issue with an expert's review EQC get a peer review conflict. Renee said they are working through this issue, there will be resistance so some cultural work to be done.

Ali left meeting at 3:25pm

- Message not getting through to homeowner that they need to fix their house. Homeowners need to assert their position.
- Mel asked about the claimant who had received the NDA with a full and final offer, Renee said to send the details to her.
- The future of CRG was discussed – Renee said the meeting meet next month will go ahead and she will talk to Darren and get feedback from CRG on the way forward.
- Renee to come back to come back to the CRG on August report within a week.

The meeting closed at 400pm

Claimant Reference Group Minutes

Date: 25th October 2019

Time: 9am -4pm

Location: Ministry of Business, Innovation and Employment, 161 Cashel Street, Christchurch

Attendees

CRG Members:
Tom McBrearty
Dean Lester
Phillipa Moore
David Townshend
Jo Petrie
Ali Jones
Linda Ngata

Minute Taker: Marion Birnie

Apologies: Mel Bourke

Agenda Items

#	Item	Time	Notes
	Welcome & housekeeping		
2.	Confirm today's agenda	9.00am	
3.	Continuation of Day one	9.05am	
4.	Morning Break	11am	
5.	Continuation	11.15am	
6.	Lunch	1.15pm	
7.	Summary of discussions and points to note	1.45pm	
8.	Meeting closure	4pm	

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The amount of effort Tom has put into the CRG was acknowledged

Format of the meeting was discussed.

Ali left at (9:40)

- New item for Action Log – Item 145
We have observed behaviour we believe aligns with what we have been concerned about as a group for a while. There has been no welcoming and encompassing of the new EQC, it appears to be because people haven't had the necessary training. This has been seen in widespread behaviour of EQC, mainly in terms of the Human Resources Department because some of the behaviour have been in pockets not uniformly across the organisation therefore there need to be a commitment from the CRG's point of view that needs to be a full company approach to change and delivery of service. EQC's focus should be on the amount of resources and everyone having the same weight in the waka. CRG have collectively seen enough to say that EQC needs to make a change.

While we have had an example presented to us 'By Tone of Voice' that is only one part of the behavioural change that needs to be addressed by EQC. There needs to be organisational cultural change to EQC

Action:

CRG recommends additional work needs to be done, we suggest EQC hire a professional to implement cultural change within EQC. CRG would like to be consulted with on the changes needed.

- Cultural Change – recommend change management – item 43 and item 81 in the CRG Actions Log.
- Discussed EQC working with community groups.

9. Confirm today's agenda

Item to discuss August report.

3. <i>Action List</i>

- 43 – relates to 145, was addressed Feb 2019
- 50 – ties in with quality systems raised today. This is a consistent matter. Add to notes: we will expand CRG recommendation that this is addressed as 146. Quality refers to everything defining process; cultural, legal, structural. Will then drop down to specifics in the different areas. This has been raised previously
- 146 – Quality system / review - this issue has been consistently raised by the CRG and to date has not been addressed satisfactorily. The CRG believes the Quality System, including the review process, is of paramount importance in ensuring improvements for claimants as EQC develops and continues. This would include, but is not limited by, areas such as best practice engineering, procurement, claims handling and inspections. EQC and CRG to work together to develop, confirm and implement a quality / review system. EQC to make a meeting time with two to three CRG members to meet the appropriate EQC managers to workshop the way forward before the November CRG meeting (suggest Tuesday, 19th or Wednesday, 20th November 2019) to provide a meaningful update to the CRG in November (meeting date tbc, suggested Monday, 25th November 2019 from 1:00pm to 4:00pm and Thursday, 28th November 9:00am to 4:00pm).
- 65 – include in new Item 147 raised again 25 October 2019. In what circumstances can EQC use full and final and how does that relate to the Fair Trading Act? Additional to the action from 24th October 2019 – Renee to confirm; in which cases does EQC use full and final payment? On agenda for November meeting.
- 69, 70 & 71 completed – cover outstanding items in the QS system action.
- 75 – Action: spreadsheet to be put into project folder to make issues / action list updated 25 Oct. David to amend spreadsheet to make fit for purpose for the outstanding items to clearly show the issues and actions.
- 76 – due date by November meeting. Ali / Tom to follow up on the required update. New point to be created: go back to EQC to see if they agree with the letter dated ???? from Minister Megan Woods.
- 81 – superseded by 145, 146 & 147. Action: CRG requests written confirmation by 25 November from EQC regarding clarification on how inconsistencies between SR and EQC (including, but not limited to,

use of the BMC report) will be managed. Note: remove CGRS from this action as HOAG will manage any issues related to systemic issues with the systems 81

- 91 – This is superseded by EQC handling all claims that fall within their liability for the Kaikoura claims
- 93 – Conflicts registers has been completed and will be an Agenda item in meetings going forward.
- 98 – the CRG request a presentation detailing on the current status of the Readiness Project be presented at the November meeting.
- 101 – completed
- 102– following advice from Minister Woods that CRG focus on Canterbury this action is completed
- 103 – laterals were meant to be closed off and weren't and leaked into waterways. Update provided on 24 October 2019 this action is completed for the CRG, ongoing project for EQC. Note: CRG raised this issue because of concerns relating to leeching of waste water and sewerage. Local government and claimants have paid but the problem has not been fixed, damage has happened but not yet identified. EQC is continuing their attempts to engage with claimants, CRG offered to assist with contacting.
- 104 – completed
- 106 – Tom has constantly requested Pat Bowlers attendance at the CRG meetings, but this hasn't been able to happen due to Pat Bowlers availability. This will be raised again at the meeting being held between the CRG (Tom and Ali) and the EQC (Sid and Renee) being held 1 November. Tom and Ali will update the group in the November meeting. CRG members to email Tom by 15 November with questions that could be put to Pat Bowler. Tom will then forward these to Pat. Tom to suggest Pat attend November meeting, if Pat is unavailable Tom will ask him to suggest a new date.
- 108 – Tom to email Baden and Martyn requesting their attendance at a CRG meeting early 2020 and ask for potential dates that work for them. CRG members to email Tom by 15 December questions and issues to be put to Baden Ewart and Martin Connell.
- 109 – BMC completed refer to Baden's response in the September minutes.
- 112 – completed, EQC have provided a copy of their updated instruction clearly showing a strong reflection and reliance on the ENZ instruction.
- 113 – completed, Ali to liaise with Mel regarding admin rights by November meeting.
- 115 – completed
- 116 – John Goddard traveling to Christchurch and has approval from his Directors to spend 1-2 hours with the CRG, and possibly EQC, Ali to confirm date and time.
- 117 – superseded refer item 116
- 118 – superseded refer 146
- 119 – superseded refer to 98
- 120 – completed
- 121 – superseded by SQC taking over SR claims
- 122 – not a priority
- 123 – refer to 2009 EQC Inspection Guide and send to Andrew Martin. Completed ref 129 CRG recommends this to be the next stage
- 124 – refer 123
- 125 – completed
- 126 – completed
- 127 – closed

- 128 –completed, Tom to find ENZ email response and distribute to CRG and record key points in this document.
- 129 – refer 123
- 130 – Philippa sent email which Sid responded at the September. Phillipa to follow up for response before Nov CRG meeting. Mel provided her resignation from the CRG to the EQC and CRG as at August 2019 (refer the CRG Dropbox). Mel’s resignation letter stated she had decided to not continue with the CRG in its current format. Her final date being end of October 2019.
- 131 – discussed by at the 23 August 2019 meeting, refer to 146 Quality systems / review process
- 132 – refer to letter from Minister Megan Woods. Tom sent letter to Minister Woods (cc’ed Darren Wright) accepting offer to work with GCCRS to progress establishment of group of ‘experts’ (LBP and Buildings Act defines ‘experts’) to approach regarding advice regard claims. CRG requested GCCRS discuss with HOAG. Action refer to HOAG.
- 133 – EQC to provide timeframe for update by 7 November refer to 106
- 134 – CRG to request Renee circulate the document before
- 135 – completed
- 136 – Refer to Press article Saturday 5 October 2019
- 137 – superseded
- 138 – refer to 146 regarding quality / review systems. CRG would like a response from EQC regarding the development of an information sheet by 1 November 2019
- 139 – CRG considers this item as part of the CRG’s learnings over the past 12 months. All to email Tom with items that had worked and hadn’t.
- 140 – documents received by email 24 October, the CRG requests time to discuss the EQC Manuals; Land Manual Final and Building Manual Final. To be reviewed by the group for discussion at the November CRG meeting. Tom to request hardcopies for five members from Bou to be sent to private addresses.
- 141 – lack of transparency with the public in the work done by CRG. Linda suggested publishing the completed items off the Actions Log. CRG express their concerns that meeting minutes are still late in being published. The group would like to following timeline to be followed:
 - The CRG member receive draft meeting minutes within 10 days of the last meeting and are they should feedback on any errors within five working days. The meeting minutes once approved are to be published within one week.

Correspondence to be put on the meeting agenda going forward as a standing item the public need to be encouraged to have input. The CRG will take consider privacy issues and identification of properties. Tom has emailed Bou to confirm the CRG correspondence email and postal address.
- 142 – please note as of today the CRG August minutes are not online. Tom has emailed Bou to request these to be published. Refer to 141 for timeline for the minutes to be made public
- 144 – inconsistencies further discussed refer 145 and 146, the CRG has discussed how to encourage positive change within EQC that further supports timely and effective claim resolution in the most efficient and effective and way.

4. Correspondence

- Correspondence received from a Christchurch resident questioning the efficacy of using epoxy repair on unreinforced rubble foundation. Ali will reply to the claimant as per the discussion held around the CRG table.

- Mel provided feedback for today's meeting to Dean, Ali and David asking for it to be tabled for this meeting.

5. Other business

- Linda tabled a draft document outlining the transition for CRG to a national claimant reference group. All to review and email comments / suggestions to Linda for incorporating into the document for discussion. Cut one to be completed by Friday, 1 Nov
- Discussion was held regarding what should be sent to Sid regarding what the CRG do next – Linda's doc as a proposal going forward. Tom to draft an email to circulate for comment. CRG work is of value to EQC and there is no benefit to anyone to cease the group now.
- Tom sent an email to Mel thanking her for the work she has done, Sid and Renee were copied into the email.

Tom thanked the group for the work they have done over the past year.

The meeting closed at 3:40pm