



# Independent Oversight Committee

## Independent Oversight Committee information release

May 2022

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# Independent Oversight Committee – December Meeting Minutes

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- Location:** Greater Christchurch Claims Resolution Service, MBIE Office, Grand Central Building, 145-161 Cashel Street, Christchurch and via Microsoft Teams
- Date:** 10 December 2021
- Time:** 10.57am – 4.10pm
- Present:** David Ayers - Chair (DA), Nina Khouri (NK), Sandra Manderson (SM) and Fiona Mules (FM)
- In attendance:** [23] (Secretary)  
Matthew Beilan (Treasury Commercial Performance Senior Analyst)  
Southern Response Earthquake Services Limited (SRES) – Casey Hurren (Chief Executive - SRCE), Veronica Cress (General Counsel - SRGC), Susan Downes (Acting Unit Manager - SRAUM), Daniel Hickling (Project Manager - SRPM)

## Agenda items

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1. **Welcome, apologies and quorum** – DA welcomed members and apologised for delayed start due to technology issues. There were no apologies and the quorum was met.
2. **Committee members' interests** – No conflicts in relation to any Agenda items were advised.
3. **Administrative matters** –
  - 3.1. Matthew Beilan (MB) confirmed that Treasury is progressing the SRES restricted access to IOC Diligent. **MB will** follow this up with Treasury.
  - 3.2. MB advised that FM's Diligent access should be available now. FM confirmed that it was.
  - 3.3. **The Secretary will** forward Diligent log on information to SM.
4. **Minutes of previous meeting** – Approval of minutes by consensus with minor clerical changes as agreed. **The Secretary will** make these changes and forward the Minutes to all attendees next week.

**The Committee agreed** that MB will be asked to start the OIA process for each month's Minutes once they are approved. This will enable the Minutes to be loaded onto the new website as soon as it is live. **The Secretary will** forward Minute to MB as they are approved each month.
5. **Matters arising from the Minutes** –
  - 5.1. MB provided details on the procedure for proactive release of IOC Minutes and Crown Reports. Policyholder communications from IOC will not go through the OIA process but their release is covered under the IOC Terms of Reference. **MB will** keep the IOC updated as to progress and any issues.

It is intended that the IOC web page will be live by the end of February 2022.
  - 5.2. DA reported on his inter meeting telephone conversation with SRES Board Chair Alistair James. Members would like to have the SRES Board attend part of the February meeting in order to meet new Board members. **David will** suggest this to SRES Board Chair.

5.3. DA has regular telephone calls between meetings with SRCE and will contact SRES Board Chair on an as required basis.

5.4. Brief discussion on progress of “out of scope” claims.

6. **General business**

6.1. **Correspondence sent and received** – No correspondence this month other than updates from SRES.

6.2. NK summarised issues raised in the Buddle Findlay report on the discontinuance hearing in the Ross class action.

Discussion around possible outcomes and implications of these outcomes for IOC.

MB left the meeting at 12.00pm.

SRES attendees joined meeting at 12.00pm followed by a short break for lunch.

7. **General matters**

7.1. SRES supplied information in relation to specific IOC enquiries on the following issues; business processes, consistency of messaging, staff training, quality assurance of complex claims, key person risk and succession planning.

7.2. SRES provided an update on deregistered company policyholders and **will continue** to update the IOC on this issue.

7.3. General discussion around the Ross discontinuance hearing. SRES responded to specific IOC queries around the limitation waiver offered by SRES.

8. **Company update –**

*This section of the minutes is legally privileged as it relates to confidential and legally privileged information provided to the Committee by the General Counsel of Southern Response and/or legal advisors to Southern Response about significant litigation involving Southern Response and legal advice that has been received by the Company. This information has been provided to the Committee pursuant to a limited waiver of privilege on the basis that the confidential and privileged status of this information will be preserved.*

8.1. **Operational progress –**

8.1.1. New timeframes have been put in place for responding to applications and keeping policyholders informed as to where their application is in the process.

8.1.2. Temporary staff members are being employed to progress Package applications received by email. Other staff continue to be recruited.

8.1.3. “Out of scope” claims are not yet being processed. SRES and the Crown are working through the Package design and documentation issues for this category of claims. A progress report on any live legal or process issues and a timeframe estimate for the launch of this part of the Package will be provided at the next IOC meeting.

8.2. Update provided on Package Review Process. This is progressing and now includes the amendments suggested by the IOC in previous meetings. **SRGC** expects to have draft process documents prepared shortly and **will** provide these to the IOC for the February meeting.

**SRES will** consult with the IOC before confirming the independent reviewer for this process. An SRES lawyer will be the internal reviewer and is currently preparing for this role.

8.3. General discussion around proposed workflow controls for “out of scope” claims, use of discretion and funding of Package.

8.4. Risk assessment update – SRES responded to IOC questions in relation to KPMG Risk Assessment document.

8.5. Complex claims case study – deferred to February.

**9. SRES attendees departed at 2.20pm**

**10. General business –**

10.1. Discussion about issues raised in the KPMG Report.

10.2. Discussion around methods for checking policyholder satisfaction with Package process.

10.3. **NK will** prepare a discussion document to formalise the IOC operating principles now that large numbers of claims are being settled. **Committee members will** provide responses to this for the February meeting.

10.4. **Reporting** – Working session drafting December Crown Report and Policyholder Report.

**FM will** draft paragraphs as discussed **and forward** these to the Secretary for inclusion in the next draft.

**The Secretary will** make changes to the Reports as requested and send these to members next week for review.

**11. Next meeting – 14 January 2022 (by circular resolution)**

11.1. **There is a proposed meeting with the Minister and SRES Board on 26 January 2022.**  
**Members will** diary this date and make best attempts to be present.

**12. Summary and close of meeting – Meeting closed at 4.10pm.**