



Independent Oversight Committee

Independent Oversight Committee information release

March 2023

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Independent Oversight Committee – December Meeting Minutes

Location: Greater Christchurch Claims Resolution Service, MBIE Office, Grand Central Building, 145-161 Cashel Street, Christchurch and via Microsoft Teams

Date: 9 December 2022

Time: 10.30am – 1.45pm

Present: David Ayers (DA – Chair), Sandra Manderson (SM), Nina Khouri (NK)

Apologies: Apology for lateness from NK

In attendance: [23] (Secretary)
Southern Response Earthquake Services Limited (SRES) – Casey Hurren (Chief Executive – SRCE), Veronica Cress (General Counsel – SRGC), Daniel Hickling (Head of Corporate Services – SRCS), Anna Dobson (Unit Manager – SRUM), [23] (Legal Team – SRLT)

Agenda items

1. **Welcome, apologies and quorum** – Chair **welcomed** members, acknowledged apology for lateness from NK and noted the quorum was met. (Note: Fiona Mules was to attend on a contract basis but was unavailable due to being delayed at Wellington Airport.)
2. **Committee members' interests** – No conflicts in relation to any Agenda items were advised.
3. **Minutes of previous meeting** – Approved unanimously with minor corrections. **Secretary to confirm** one matter with SRES before beginning the Document Release Process.
4. **Matters arising from Minutes** –
 - 4.1. **Action items reviewed** – most items completed with one still progressing.
 - 4.2. **Information Analysis Checklist reviewed** – various matters to be checked/confirmed with SRES below.
 - 4.3. Review **SRES papers** – as above
5. **General business**
 - 5.1. **Correspondence** – no inward correspondence this month. Letters out to GCA and the Treasury as approved by email.
 - 5.2. **Other general business**
 - 5.2.1. Review position regarding replacement for FM. **DA will continue to keep IOC members advised of progress regarding this.**

[NK arrived via MS Teams at 11.20am]

Change to Agenda order as some time available to progress item **11. December Report** here.

[SRES attendees arrived at 12 noon, introductions to [23] (member of the SRES Legal Team who issued the first Internal Review Decision under the Package Review Process) followed by 15-minute break for lunch]

6. **General matters**
 - 6.1. **Review of matters discussed above** –
 - 6.1.1. IOC referred to correspondence received 14 September 2022 from GCA Lawyers expressing concern about the approach SRES is taking in relation to certain other costs in contingency calculations for Package offers.

Having discussed this and sought information from both SRES and the Crown, IOC members advised that they are now satisfied that the approach SRES is taking is in accordance with the Package principles and processes agreed between Southern Response and the Crown.

Having regard to the Committee's mandate to consider the interests of affected policyholders, the Committee is satisfied that the approach SRES is taking is also consistent with the Package principle of putting those who cash-settled with SRES before 1 October 2014 in a similar position to those who settled after that date.

- 6.1.2. SRES confirm that the suggestion made in the KPMG report relating to closing claims has been included in that process (which is now documented). **SRES will provide** a new suite of Package related processes to IOC and **the Secretary will** update the Diligent resource centre accordingly.
- 6.1.3. **SRES will provide** its internal Quality Assurance report before the February 2023 meeting.
- 6.1.4. New OOS identity requirements will be implemented (initially on a trial basis) once staff training and system changes are complete. The NZ Police fraud training for staff is the first step and this is scheduled for next week.
- 6.1.5. **SRES will check and confirm** the over 90 days \$ value from November's papers.
- 6.1.6. SRES responded to IOC query re MVP claims forming a large proportion of over-cap clients yet to be contacted. These claims are more complex and also more likely to result in no payment being due under the Package. A smaller team is now working in this area as most over-cap claims have been settled.
- 6.1.7. SRES provided an update on the OOS contact project. Once the High Court has approved the changes to the SRES website, OOS clients will be contacted in tranches to control workflow. SRGC will provide IOC with a copy of the relevant documents when filed with the High Court.

7. Company update –

- 7.1. **Legal landscape** – Updated information provided to IOC last week by email.
- 7.2. **Current Legal issues and Discretionary issues – Both Registers updated this month** – new issues reviewed.
- 7.3. **Operational progress** – SRUM talked through reasons for Package offer changes and reviewed proposal for restructuring staff.
- 7.4. **Package Review Process** – SRLT responded to IOC queries in relation to the first Internal Review Decision issued by SRES under the PRP and explained the practical steps taken to achieve the result (in favour of policyholder).

[SRES attendees departed at 1.20pm]

8. Other business–

- 8.1. No other business

9. Administrative matters

- 9.1. Action Items for December confirmed.
 - 9.2. Review of items for reporting
10. Continued drafting of **December Report**. **The secretary will update draft and send to IOC** for further comments next week.
 11. **Summary and close of meeting** – Meeting closed at 1.45pm

Next meeting – 10 January 2023 by circular resolution