

Reference: 20220469

30 November 2022

Dear [REDACTED]

Thank you for your Official Information Act (OIA) request, transferred from Hon Dr David Clark on 2 November 2022. You requested the following information:

My request was for each of the directors, however, only two directors' information has been provided. Please provide all of the outstanding information. Please also increase the scope of my request to include all sections of the documents provided. I understand that DDI information will still be withheld.

Information being released

Please find enclosed the following documents:

Item	Date	Document Description	Decision
1.	27 October 2011	Treasury Report: Board Appointments: Two Crown Boards and Reserve Bank of New Zealand	Release in part
2.	15 November 2011	Treasury Report: AMI Oldco and DGS Recoveries: Establishment Board Process Update	Release in part
3.	14 December 2011	Treasury Report: Cabinet Paper confirming Crown Asset Management Ltd and AMI Oldco Establishment Boards; and Reserve Bank of New Zealand Reappointment	Release in part
4.	18 March 2014	Treasury Report: Finance Portfolio Boards: Update on 2014 Appointment Process	Release in part
5.	19 December 2018	Memorandum: Southern Response Earthquake Services Ltd: Interim Chair Appointment	Release in part
6.	13 October 2021	Treasury Report: Earthquake Commission and Southern Response Update after Due Diligence	Release in part

I have decided to release the relevant parts of the documents listed above, subject to information being withheld under one or more of the following sections of the OIA, as applicable:

- personal contact details of officials, under section 9(2)(a) – to protect the privacy of natural persons, including that of deceased natural persons,
- names and contact details of officials, under section 9(2)(g)(ii) – to maintain the effective conduct of public affairs through protecting Ministers, members of government organisations, officers and employees from improper pressure or harassment, and
- direct dial phone numbers of officials, under section 9(2)(k) – to prevent the disclosure of information for improper gain or improper advantage.

We have redacted the direct dial phone numbers of officials under section 9(2)(k) in order to reduce the possibility of staff being exposed to phishing and other scams. This is because information released under the OIA may end up in the public domain, for example, on websites including Treasury's own website.

In making my decision, I have considered the public interest considerations in section 9(1) of the OIA.

Please note that this letter (with your personal details removed) and enclosed documents may be published on the Treasury website.

This reply addresses the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

A handwritten signature in black ink, appearing to be 'SK', followed by a horizontal line extending to the right.

Stella Kotrotsos
Manager, Governance & Appointments

Table of Contents

1.	<u>Treasury Report: Board Appointments: Two Crown Boards and Reserve Bank of New Zealand</u>	1
2.	<u>Treasury Report: AMI Oldco and DGS Recoveries: Establishment Board Process Update</u>	3
3.	<u>Treasury Report: Cabinet Paper confirming Crown Asset Management Ltd and AMI Oldco Establishment Boards; and Reserve Bank of New Zealand Reappointment</u>	6
4.	<u>Treasury Report: Finance Portfolio Boards: Update on 2014 Appointment Process</u>	11
5.	<u>Memorandum: Southern Response Earthquake Services Ltd: Interim Chair Appointment</u>	13
6.	<u>Treasury Report: Earthquake Commission and Southern Response Update after Due Diligence</u>	15



Treasury Report: Board Appointments: Two New Crown Boards and Reserve Bank of New Zealand

Date:	27 October 2011	Report No:	T2011/2323
--------------	-----------------	-------------------	------------

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	Agree recommendations	11:00am, Tuesday 1 November 2011
Minister for Economic Development (Hon Gerry Brownlee)	For your information	None

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Stephen Rich	Manager, Appointments and Governance	s9(2)(k)	s9(2)(g)(ii) ✓
Bill Frecklington	Senior, Appointments and Governance		

Minister of Finance's Office Actions (if required)

None.

Enclosures: Yes (attached)

22. While there are still a number of uncertainties (in particular whether any of the current AMI Board will be retained as AMI Oldco directors), we are working on the assumption that there will be an initial need for the Crown to appoint between 3-5 new directors, including a new Chair. In April 2011 the Crown appointed John Pritchard directly to the AMI Board. A brief profile for Mr Pritchard is included as part of the CVs (Annex I).
23. AMI Oldco's main function will be to assess and meet Canterbury Earthquake-related claims (about \$2 billion, comprising over 40,000 individual claims), including managing rebuilds of destroyed houses. The bulk of claims are anticipated to be settled, with rebuilds completed, by 2016.
24. A key task of the new Board will be to implement the establishment of AMI Oldco as a distinct entity, and to recruit a CEO and management team. AMI Oldco will also be required to recover reinsurance proceeds (about \$1.2 billion). This involves liaising with the reinsurers (and the Earthquake Commission) and providing evidence that claims have been validly paid within the terms of the insurance contracts. It will also manage about \$260 million in property and financial assets, plus the proceeds from the sale of AMI Newco until these are required to meet claims costs.

AMI Oldco: New Board

25. We consider a mix of the following skills, experience and attributes are desirable in the new board, with a general requirement for 'safe pair of hands' types (given the wind down nature of the task), rather than a more entrepreneurial board.
 - Chair experience, leadership, general commercial governance
 - Knowledge of the insurance industry, and connections within it
 - Claims processing and project management
 - Company wind-down, associated personnel issues
 - Senior financial/actuarial skills
 - Dispute resolution process governance
 - Canterbury 'representation'.
26. Can you please confirm that you agree with the above skillsets, or advise any additional attributes you would like to consider.

Suggested Board candidates

27. Using the above attributes as a starting point, we have reviewed COMU's candidate database, as well as the candidates considered for the recent EQC appointment process (where we also had a need for insurance and major process management expertise). We have also sought candidates from the Ministry of Women's Affairs. Given the confidentiality of the process and the need to move quickly, we have not advertised the vacancies on COMU's database as we normally would, nor have you had the opportunity to call for nomination from your Caucus colleagues.
28. The following paragraphs list our recommended shortlist for the Board. Full CVs for all the individuals named are attached as part of Annex I. Can you please confirm you are comfortable with the proposed candidates (in particular the suggested Chair candidates), and advise any candidates you would like withdrawn from or added to the process, or whether you would like us to conduct additional searches.

Hon Bill English
ORIGINAL



Treasury Report: AMI Oldco and DGS Recoveries: Establishment Board Process Update

Date:	15 November 2011	Report No:	T2011/2414
--------------	------------------	-------------------	------------

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	Note recommendations, advise COMU if you have any concerns	Thursday 1 December 2011
Minister of Canterbury Earthquake Recovery (Hon Gerry Brownlee)	For your information	None
Minister of State Owned Enterprises (Hon Tony Ryall)	For your information	None

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Steve Rich	Manager, Appointments & Governance	s9(2)(k)	s9(2)(g)(ii) ✓

Minister of Finance's Office Actions (if required)

None.

Enclosure: Yes (Attached)

24 NOV 2011

Treasury Report: AMI Oldco and DGS Recoveries: Establishment Board Process Update

Purpose of Report

1. This report updates you on progress with the Establishment Boards of AMI Oldco and DGS Recoveries, following our discussion on 7 November 2011. It is provided to ensure you are comfortable with the process underway, and the likely outcome.

Background

2. On 27 October 2011 we reported to you on the process to set up Establishment Boards for AMI Oldco (the residual company that will assess and meet AMI's Canterbury Earthquake-related claims), and DGS Recoveries (the new company to be created to consolidate management and recovery of six finance companies in active receivership). This report provided candidate options for both boards, and was discussed at a meeting between yourself and Hon Gerry Brownlee on 7 November 2011.

AMI Oldco

3. You have agreed the AMI Oldco Board will be made up of members bringing a combination of the following skills and experience – Chair/leadership; governance; knowledge of the insurance industry and connections within it; claims processing and project management; company wind-down; senior financial and/or actuarial skills; dispute resolution; Canterbury 'representation'.

Chair

4. At our meeting on 7 November 2011 it was agreed that Nelson-based candidate, Ross Butler, is the preferred candidate for the Chair position. A copy of Mr Butler's CV is attached. Mr Butler has subsequently confirmed his interest subject to confirmation of the final make up of the Board. COMU's background checking process is continuing but, given he already serves on one of our boards (GNS Science) it is not expected anything adverse will come to light.
5. Mr Butler has confirmed that if appointed to the AMI Oldco Chair position he will retire early from the GNS Science Board.
6. As signalled in the previous report, while Mr Butler's appointment still requires formalisation through the Cabinet process, we will now include him in the due diligence process to confirm new board members, and (at least partially) also in deliberations about the establishment structure for AMI Oldco. Treasury will, most likely, reimburse Mr Butler on a standard consultancy basis (of around \$1,000 per day) for any work he does before the formal start date of the appointment.

7. s9(2)(a)

Directors

8. As noted above, Anne Urlwin s9(2)(a) have both indicated they would consider a directorship on the AMI Oldco Board. Both bring very strong finance and audit skills, broad governance experience, and a strong knowledge of working as a director on Crown boards. We consider it likely that one of these two candidates will be recommended to join the Board.
9. s9(2)(a) David Whyte (Auckland-based, former MD of AIG Insurance and member of Insurance and Banking Ombudsman Board); Bevan Killick (Christchurch-based, significant insurance (including wind downs) expertise); and Susan Thodey (Auckland-based litigation lawyer specialising in insurance) have all confirmed an interest in joining the Board and will be interviewed by COMU and Ross Butler on 23/24 November 2011.
10. s9(2)(a) has declined the opportunity to be considered (heavy workload). We also contacted the two Christchurch candidates suggested for consideration by Hon Gerry Brownlee, s9(2)(a) s9(2)(a) While appreciative of the approach, both declined the opportunity to be considered; due to other commitments.
11. Having considered the matter further, officials now consider that there will be no need for any of the existing AMI directors (including John Pritchard who was appointed by the Crown earlier in 2011) to remain with AMI Oldco after the sale of AMI Newco.
12. Subject to due diligence, and Ministerial approval, the Establishment Board is, therefore, currently likely to be Ross Butler (Chair), s9(2)(a) or Anne Urlwin, David Whyte, Susan Thodey, Bevan Killick s9(2)(a)
13. In this scenario two directors would be Christchurch-based, Messrs Killick and s9(2)(a)
14. Apart from s9(2)(a) or Ms Urlwin, this scenario does not give any alternates if any of the above people are not appointed (for whatever reason). It is possible there might also only be one woman, and no Māori, on the Establishment Board. Therefore, while we think we have the core of the Establishment Board in the candidates already identified, it is possible there will be an initial two stage appointment process – with additional directors needing to be added early in 2012 if some skill sets are not fully covered.

DGS Recoveries

15. You have agreed the DGS Recoveries Board will be made up of members bringing a combination of the following skills and experience – Chair/leadership; governance; recent loan recovery experience at a senior level; insolvency practice; banking; senior financial and/or accounting skills; and (possibly) law.

Chair

16. At our meeting on 7 November 2011 it was agreed that Taupo-based candidate, Gary Traveller, is the preferred candidate for the Chair position. A copy of Mr Traveller's CV is attached. Mr Traveller has subsequently been interviewed by COMU and confirmed his interest in the role. COMU's background checking process is continuing but, given he already serves on one of our Boards (Quotable Value) it is not expected anything adverse will come to light.

19 DEC 2011

Hon Tony Ryall

ORIGINAL



CROWN OWNERSHIP
MONITORING UNIT

Treasury Report: Cabinet Paper confirming Crown Asset Management Ltd and AMI Oldco Establishment Boards; and Reserve Bank of New Zealand Reappointment

Date:	14 December 2011	Report No:	T2011/2530
--------------	------------------	-------------------	------------

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	Agree recommendations, sign Cabinet documentation for submission to Cabinet Office by Thursday deadline and letter to Prime Minister	10.00am, Thursday 15 December 2011
Minister for Canterbury Earthquake Recovery (Hon Gerry Brownlee)	For your information	None
Minister for State Owned Enterprises (Hon Tony Ryall)	For your information	None

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Stephen Rich	Manager - Appointments & Governance	s9(2)(k)	s9(2)(g)(ii) ✓
Bill Frecklington	Senior Advisor - Appointments & Governance		

Minister of Finance's Office Actions (if required)

If signed, submit Cabinet documentation to Cabinet Office by 10.00am Thursday 15 December 2011, along with the letter to the Prime Minister.

Enclosures: Yes (attached)

Treasury Report: Cabinet Paper confirming Crown Asset Management Ltd and AMI Oldco Establishment Boards; and Reserve Bank of New Zealand Reappointment

Purpose of Report

1. This report asks you to sign the attached Cabinet paper confirming the Establishment Boards of Crown Asset Management Ltd (CAML) (previously referred to as DGS Recoveries) and AMI Oldco; and the reappointment of the current Chair of the Reserve Bank of New Zealand (RBNZ).

Background

2. On 27 October 2011 we reported to you on the process to set up Establishment Boards for AMI Oldco (the residual company that will assess and meet AMI's Canterbury Earthquake-related claims), and CAML (the new company to be created to consolidate management and recovery of six finance companies in active receivership). This report provided candidate options for both boards, and was discussed at a meeting between yourself and Hon Gerry Brownlee on 7 November 2011.
3. At the meeting, you agreed the proposed Chair-elects for each board (Gary Traveller for CAML and Ross Butler for AMI Oldco), along with a proposed candidate shortlist for each board based around the agreed skills profile for each board.
4. You have previously noted that the Establishment Boards must both be confirmed before Christmas in order to ensure they are both in place in time for the 'go-live' date for both; and to enable the Establishment Boards and Chairs to participate in establishment discussions. As previously advised, we have retained both Mr Traveller and Mr Butler as consultants to Treasury (essentially advisors) to enable them to participate in the establishment process and be remunerated for it.

AMI Oldco

5. You have agreed the AMI Oldco Board will be made up of members bringing a combination of the following skills and experience – Chair/leadership; governance; knowledge of the insurance industry and connections within it; claims processing and project management; company wind-down; senior financial and/or actuarial skills; dispute resolution; Canterbury 'representation'.
6. At the meeting on 7 November 2011 it was agreed that Nelson-based candidate, Ross Butler, is the preferred candidate for the Chair position. Mr Butler has confirmed his interest (still subject to confirmation of the final make up of the Board). Mr Butler has confirmed that if appointed as AMI Oldco Chair, he will retire early from the GNS Science Board.
7. As previously signalled, while Mr Butler's appointment still requires formalisation through the Cabinet process, we have included him in the due diligence process to confirm new board members, and in some deliberations about the establishment structure for AMI Oldco. Treasury is reimbursing Mr Butler on a standard consultancy basis (of around \$950 per day) for any work he carries out before the formal start date of the Chair appointment.

8. Of the other Chair candidates mentioned in the previous report, s9(2)(a) and Anne Urlwin have both been advised they are unlikely to be offered the Chair role but will both be considered as directors (and both are interested in director roles). s9(2)(a) has been advised he is unlikely to be offered a role on the Board.
9. We have now concluded due diligence on all the candidates discussed. The agreed shortlist was Anne Urlwin, s9(2)(a), Bevan Killick, David Whyte, Susan Thodey, s9(2)(a) Hon Tony Ryall subsequently asked for Chris Day, a Wellington-based CFO (formally with AXA), to be included in the process.
10. s9(2)(a) declined to be considered due to other commitments.
11. At interview it was clear that s9(2)(a) was not suitable for appointment, leaving only one Canterbury-based candidate (Bevan Killick). After further review we, therefore, approached Christchurch-based company director, Jenn Bestwick, for consideration. Ms Bestwick's details were included in the list of Christchurch-based directors we sent through after the meeting with Ministers, but she was not formally discussed at that time.
12. With the interviews now complete, we recommend Ministers appoint the following as the Establishment Board of AMI Oldco:
- Ross Butler – experienced Crown director, senior (MD Level) experience in the insurance and financial sectors, some Christchurch connections, will bring credibility in the sector to the Board.
 - Anne Urlwin – senior Crown director, senior financial skills, some Christchurch connections. Given Ms Urlwin's experience we have included her as Deputy Chair.
 - Jenn Bestwick – Christchurch-based company director. Ms Bestwick Chairs the local polytechnic (seriously affected by the earthquakes), has strong project management experience (highly relevant) and strong experience with, and connections within, Ngāi Tahu (although she is not Māori).
 - Bevan Killick – Christchurch-based company director. New to this type of governance, but strong insurance sector expertise, including specific experience in a number of insurance 'wind-downs' internationally (this is rare experience).
 - Susan Thodey – Auckland-based barrister, partner of law firm. Senior and highly-regarded lawyer, who has focussed almost solely on insurance matters in her practice. Very experienced in the insurance sector, and disputes resolution within it.
 - David Whyte – Auckland-based, former Managing Director of major Australasian insurance company. Senior insurance and financial sector experience – including at governance level in the Banking and Insurance Ombudsman's Office. Will bring credibility in the sector to the Board.
13. s9(2)(a)
14. Two directors will be Christchurch-based – Bevan Killick and Jenn Bestwick.

Appointment – Chair

15. Ross Butler is a Nelson-based company director. He has experience as Chief Executive, Executive Director and Chair of a number of finance and insurance-related companies. He is the ex-Chief Executive of GIO Building Society and GIO Finance in Australia, with experience in Asia, the United Kingdom and New Zealand. He managed GIO through its privatisation, and subsequent establishment of banks and insurance companies throughout Australia, Asia and New Zealand. Mr Butler has extensive governance experience across multiple sectors. In the Crown sector he is currently Deputy Chair of the Crown research institute GNS Science, Chair of the Code Committee, Financial Advisers Act (for the Financial Markets Authority), and Chair of the Nelson Marlborough Institute of Technology. In the private sector, Mr Butler is currently a director of Marlborough Lines Ltd and Chair of Mercer Investment Nominees. He has numerous prior governance roles related to his insurance and finance sector backgrounds – notably as Chair of GIO Building Society, Member of International Advisory Board of Securities Institute of Australia, and National Chair of Building Society Association of Australia. Mr Butler has also held a number of sports-related roles, and is currently Chair of New Zealand Swimming and Nelson Bays Football, and a Trustee of the Hockey World Championships NZ 2011. Mr Butler brings senior governance experience and strong insurance sector and financial skills, and as such he is uniquely qualified to take on the role as AMI Oldco's Establishment Chair.
16. As mentioned above, Mr Butler is Deputy Chair of the Crown research institute GNS Science, who are carrying out significant consulting work for the Earthquake Commission regarding Canterbury land stability. Mr Butler will resign his position as Deputy Chair of GNS Science once the AMI Oldco role is confirmed, in order to avoid any suggestion of conflict of interest between the two roles.

Appointment – Deputy Chair

17. Anne Urlwin is a Wanaka-based professional director, chartered accountant and business consultant with a wide range of directorship experience in sectors ranging from energy, transport, health, information technology, research, banking, forestry and the primary sector as well as education, sports administration and the theatre. Ms Urlwin has recently been appointed as an establishment director of the listed company Chorus Ltd (following the split from Telecom), and also serves on the Meridian Energy Board. Ms Urlwin chairs construction firm Naylor Love, and also recently took over as the Chair of Lakes Environmental in Queenstown. Ms Urlwin brings extensive knowledge of the Crown domain (she has held governance roles on seven separate Government boards over the years), senior financial skills, and is a former Christchurch resident with strong connections back into the community. She will be an excellent support to the new Chair and is being appointed as Deputy Chair.

Appointments – Directors

18. Jenn Bestwick is a Christchurch-based consultant and company director. After a background in the health sector, Ms Bestwick led the Strategic Consulting Practice for KPMG in Auckland for a number of years, working extensively in the public and private sectors. Following a move to Christchurch Ms Bestwick spent a number of years working with Ngāi Tahu where she was General Manager, Strategy and Planning for Ngāi Tahu Holdings Group, the commercial arm of the iwi's operations. More recently Ms Bestwick has held an Executive Director role with Environment Canterbury. Ms Bestwick is currently a board member of the New Zealand Qualifications Authority and chairs the Christchurch Polytechnic Institute of Technology Council. AMI Oldco will benefit from Ms Bestwick's strong governance

and project management skills, her connections with Ngāi Tahu (although note she is not Māori herself), and her profile in, and connections throughout, the Canterbury community.

19. Bevan Killick is a Christchurch-based consultant and company director. Mr Killick returned to New Zealand from the UK in 2009 and since then has been establishing a governance career. He now chairs the Advisory Board of the University of Canterbury's Student Association, is Chair of the NZCU South and is an audit committee member of the Chartered Insurance Institute of New Zealand. An accountant by training, Mr Killick has had an extensive career in insurance. Of particular relevance to the AMI Oldco role, Mr Killick has held three specific roles (Equitas, Lloyds, and Chiltington) where he has been specifically involved in insurance company wind downs, at least one of a larger scale than faced with AMI Oldco. This is a unique skill set that will be of great relevance to the AMI Oldco Board. In recent times, Mr Killick has taken on a role as a business recovery coordinator for Recover Canterbury, a role that will come to an end in early 2012 – but which has given him excellent insights into the issues facing Christchurch as it rebuilds following the earthquakes.
20. Susan Thodey is an Auckland-based barrister and solicitor, who was admitted to the New Zealand bar in 1990. She was also admitted as a barrister and solicitor of the Supreme Court of England & Wales in 1987. Ms Thodey moved to New Zealand in the late 1980s, and commenced working with David Heaney, joining him in partnership in 1996. Over the last twenty years Ms Thodey has been employed exclusively by local and overseas insurance companies as well as local and regional government to manage professional liability claims against them. The emphasis of her work has led to involvement in managing claims on behalf of solicitors, accountants, valuers, engineers and other professionals. She has appeared before all courts in New Zealand including the Privy Council. This knowledge of the legal aspects of the insurance industry, the way the key players relate, and dispute resolution techniques will be critical to AMI Oldco as it establishes itself. This will be a first governance role for Ms Thodey.
21. David Whyte is Auckland-based, and is currently Ginger Group's CEO and an executive director – roles he will shortly stand down from. Mr Whyte is an experienced director and CEO in the insurance and financial services sector, having held a variety of roles with American International Group (AIG) – including Managing Director of the Australian Division from 2002-2006. In addition to his insurance sector experience, Mr Whyte has held a number of related governance roles, including time as a director of the Insurance and Savings Ombudsman Scheme. He has also served on the board of the Investment Savings and Insurance Association, the risk committee of IFSA in Australia, and was, until his appointment as CEO of Ginger Group, a director of Fidelity Life.

Crown Asset Management Ltd

22. On 25 October 2011 Cabinet agreed to established a company to consolidate and manage the recovery of the residual asset portfolio of six finance companies, all of which were subject to the Deposit Guarantee Scheme [CAB Min (11) 39/3]. All six companies are currently in receivership. The six companies concerned are South Canterbury Finance, Allied Nationwide Finance, Vision Securities, Mascot Finance, Mutual Finance and Rockforte Finance.
23. The company to be incorporated to acquire the residual asset portfolio is to be called Crown Asset Management Ltd (CAML). CAML will be expected to realise the Crown's interests in the residual assets held in the form of profits the company has



Treasury Report: Finance Portfolio Boards: Update on 2014 Appointment Process

Date:	18 March 2014	Report No:	T2014/410
		File Number:	CM-0-2-4-2014

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Bill English)	Note update on appointment process; agree to sign end of term letters to retiring members; agree candidate shortlist for Reserve Bank and further candidates for GSFA	Thursday 20 March 2014

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Stephen Rich	Manager, Appointments & Governance	s9(2)(k)	s9(2)(g)(ii) ✓

Actions for the Minister's Office Staff (if required)

If signed, hold letters to retiring members and Treasury will advise when they can be sent. Return the signed report to Treasury.

Enclosure: Yes (attached)



Southern Response

Table 4. Southern Response Board as at March 2014

Southern Response	2010			2011			2012			2013			2014			2015			2016			2017				
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
Ross Butler																										
Anne Urlwin																										
Jenn Bestwick																										
Bevan Killick																										
Susan Thodey																										
David Whyte																										

Terms under consideration in red

12. Southern Response has been in operation for almost two years, the directors being appointed from 5 April 2012. The set up and assessment phase for the company is now mostly complete and the Board is working well. Although the company’s work will continue for some time, it is an operation similar to CAML that will gradually wind down as claims are dealt with and rebuilds undertaken.
13. You have previously agreed that Ross Butler (Chair), Anne Urlwin (Deputy Chair) and Jenn Bestwick will be reappointed for phased terms, and that David Whyte will retire. To confirm Mr Whyte’s retirement, please sign and send the attached letter acknowledging his service.
14. A replacement director was sought with a focus on large scale construction / project management expertise, reflecting the future focus of the company.
15. You agreed that a shortlist could be drawn from the following candidates: ^{s9(2)(a)} [redacted], ^{s9(2)(a)} [redacted], Sarah Sinclair (summary details behind). Following further consultation with the Chair, interviews were held ^{s9(2)(a)} [redacted] and Sarah Sinclair.
16. Following the interview process, and subject to final checks, Sarah Sinclair is recommended for appointment. Ms Sinclair is currently Chief Engineer, Auckland Council Infrastructure & Environmental Services. She is the lead technical advisor working across storm water, solid waste, contaminated land, closed landfills, coastal and environmental programmes. She has a strong background in risk and project management, and has provided advice on field health and safety issues. Although this will be a first corporate governance role for Ms Sinclair, she has a strong skill alignment, and senior executive experience, and can be expected to add value on that basis.
17. ^{s9(2)(a)} [redacted]
18. Note that, given the areas of mutual interest, previously the Minister for Canterbury Earthquake Recovery has been consulted on membership of the Southern Response Board.

Minister Responsible for the Earthquake Commission

Memorandum for Ministers with Power to Act

Southern Response Earthquake Services Ltd: Interim Chair Appointment

Introduction

1. In this memorandum the Ministers are invited to note my intention to appoint an Interim Chair to the Southern Response Earthquake Services Ltd (Southern Response) Board, as follows:

Company	Person	Designation	Appointment/ Reappointment	Replacing
Southern Response Earthquake Services Ltd	Alistair George <u>James</u>	Interim Chair	Appointment	Ross Butler

Background

2. This appointment is made in accordance with the guiding legislation and the constitution of the company, which stipulates that the shareholders may, at any time, appoint or reappoint directors to the board.
3. Directors are usually appointed in accordance with the Cabinet-approved appointment process. However, with the immediate resignation of the current Chair Ross Butler, following publication on 18 December 2018 of the Inquiry into the Use of External Security Consultants by Government Agencies, the Board of Southern Response now has only two members. The company's constitution sets a minimum number for the Board of three members.

Southern Response Earthquake Services Ltd

4. Southern Response is charged with managing and settling residential insurance claims by AMI policyholders arising from the Canterbury earthquakes, and recovering reinsurance proceeds. From 1 July 2017, Southern Response is no longer offering repair and rebuild options and is cash settling remaining claims. Southern Response has a limited lifespan and is expected to have settlement or made settlement offers for almost all AMI customers by 30 June 2019. However, the company's mandate is in the process of being broadened so that it can fully participate in an integrated claims management model being developed with EQC and the Residential Advisory Service. This is aimed at ensuring faster fair and enduring settlement of EQC claims.
5. I intend to appoint Alistair James as Interim Chair for a term commencing immediately and expiring on 30 June 2019. This will enable the board to continue its work while future appointments are considered.

Appointment – Interim Chair

Alistair James is a Christchurch-based lawyer and director. He has practised as a barrister since 2001, often advocating for vulnerable persons rather than commercial entities. He has previously been Chair of the Canterbury District Health Board, and was a Christchurch City Councillor, with 20 years' experience, including as Chair of the Strategy and Finance Committee, and was also Chair of Christchurch City Holdings Limited (parent company for Lyttelton Port, Christchurch Airport, Orion Electricity and

other trading activities). He has also been trustee and Chair of Nga Hau e Wha Christchurch National Marae. The Marae is now the location of the Rangatahi Court, and formerly District Court, post Christchurch earthquakes.

Since 2016, Mr James has been the Independent Chair of the Greater Christchurch Public Transport Joint Committee, appointed by agreement of Environment Canterbury, Christchurch City Council, Selwyn and Waimakariri District Councils.

Mr James will bring legal knowledge and strong connections with Christchurch to the Southern Response Board. He is to be appointed as Interim Chair to 30 June 2019.

Certification

6. In the time available to address this in the week before Christmas 2018 it has not been possible to follow the Cabinet-approved process for this appointment. However, this is an interim appointment, and proper process will be followed as appointments are considered in 2019.

Conflicts of interest

7. Appropriate enquiries about conflicts of interest have been carried out for the candidate, and no conflicts have been identified. The Board maintains an ongoing conflict of interest disclosure regime, in accordance with the Companies Act 1993. The appointment is subject to the satisfactory completion of background checks.

Representativeness of appointment

8. I can confirm that full consideration has been given to the need for the membership of the Board to have an appropriate gender, age, ethnic, and geographical balance.

Fees

9. The fees will be drawn from the remuneration approved for the Board by shareholding Ministers. The rate for the Chair is \$72,000 per annum.

Recommendation

10. I recommend that the Ministers:

1. **note** my intention to make the following appointment to the Board of Southern Response Earthquake Services Ltd:

Company	Person	Designation	Appointment/ Reappointment	Term	Replacing
Southern Response Earthquake Services Ltd	Alistair George <u>James</u>	Interim Chair	Appointment	From the date of appointment to 30 June 2019	Ross Butler

2. **note** that the appointment is subject to the satisfactory completion of background checks.

Hon Dr Megan Woods
Minister Responsible for the Earthquake Commission
(on behalf of shareholding Ministers)



TE TAI ŌHANGA
THE TREASURY

Treasury Report: Earthquake Commission and Southern Response: Update after Due Diligence

Date:	13 October 2021	Report No:	T2021/2472
		File Number:	CM-0-2-15-2021

Action sought

	Action sought	Deadline
Minister of Finance (Hon Grant Robertson)	Agree to the recommended appointments to Southern Response Earthquake Services Ltd	As soon as practicable
Minister Responsible for the Earthquake Commission (Hon Dr David Clark)	Agree to the recommended appointments to the Earthquake Commission and Southern Response Earthquake Services Ltd Agree to Treasury seeking another candidate now for EQC	As soon as practicable

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact	
Murray Costello	Senior Advisor, Governance and Appointments	s9(2)(k)	s9(2)(g)(ii)	✓
Gael Webster	Manager, Governance and Appointments			

Minister's Office actions (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Treasury Report: Earthquake Commission and Southern Response: Update after Due Diligence

Executive Summary

This report recommends the Minister Responsible for the Earthquake Commission agrees to make one appointment to the board of the Earthquake Commission (EQC).

It also recommends that the shareholding Ministers agree to make two appointments and two reappointments to the board of Southern Response Earthquake Services Ltd (SRES), and to appoint a Deputy Chair at SRES.

The recommended appointments would improve diversity by achieving gender balance and increasing ethnic representation on the SRES board, but not on the EQC board. To address this, we recommend the Minister Responsible for the Earthquake Commission agrees that a further candidate should be sought now for the board of EQC. This would enable an appointment to be submitted in December 2021, to take effect from 1 July 2022 when the EQC Chair retires from the board.

Recommended Action

We recommend that you:

- a **agree** to appoint Chris Black as a board member of the EQC from 1 February 2022 until 31 January 2025

Agree/disagree.

Minister Responsible for the Earthquake Commission

- b **agree** to Treasury seeking another candidate now, to be considered by the APH Committee in December 2021 for appointment from 1 July 2022

Agree/disagree.

Minister Responsible for the Earthquake Commission

- c **agree** to appoint Aedeon Boadita-Cormican as a director to the board of SRES from 1 December 2021 until 30 June 2024

Agree/disagree.

Minister of Finance

Agree/disagree.

Minister Responsible for the Earthquake Commission

- d **agree** to appoint Fiona Pimm as a director to the board of SRES Ltd from 1 December 2021 until 30 June 2024

Agree/disagree.

Minister of Finance

Agree/disagree.

Minister Responsible for the Earthquake Commission

- e **agree** to reappoint Alister James as the chair of the board of SRES Ltd from 1 July 2022 until 30 June 2024

Agree/disagree.

Minister of Finance

Agree/disagree.

Minister Responsible for the Earthquake Commission

SRES

20. The SRES Board's current composition is outlined below.

Table 3. SRES Board as at October 2021

Director	Region	Start date	Term end
Alister James (Chair)	Canterbury	20 Dec 2018	30 June 2022
Anne Urlwin (Deputy Chair)	Otago	5 April 2012	30 June 2021 (extended pending replacement)
Bevan Killick	Canterbury	5 April 2012	30 June 2021 (extended, pending reappointment when new appointment/s are made)
Vacancy			

21. You agreed to call for nominations for up to two new directors with the following attributes, in addition to core skills of commercial experience, governance, finance, risk management and strategic planning:
- professional experience in contract law, litigation and/or dispute resolution (including alternative dispute resolution methods)
 - experience in claims management
 - practical experience in business restructuring or wind down.

22. s9(2)(a)

Outcome of due diligence for SRES

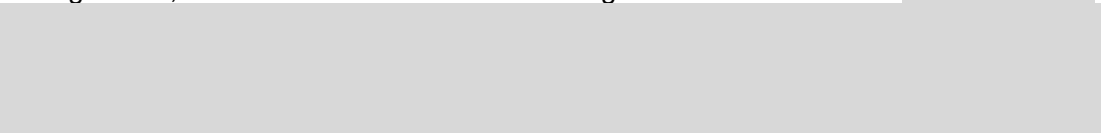
23. The two remaining candidates were interviewed online on 8 October 2021 by a panel comprising SRES Chair Alister James and Treasury official Murray Costello.

Two candidates recommended for appointment

24. The panel recommends the appointment of both Aedeon Boadita-Cormican and Fiona Pimm as directors of SRES, for terms from 1 December 2021 to 30 June 2024.
25. Aedeon Boadita-Cormican, of Wellington, has Irish and Indian heritage and she is a senior lawyer with extensive commercial and Crown Law experience. She has experience of SRES as acting Treasury Solicitor from 2020 to 2021, when she provided input into options to respond to the decision in *Dodds v Southern Response Earthquake Services Ltd* and the Ross Class Action.
26. Ms Boadita-Cormican is keen to support fair settlement of outstanding claims, subsequent wind-down, and establishing effective arrangements for the management of legacy issues. She has claims resolution experience at ACC, governance experience at NGOs, and her legal expertise would be of considerable value to the SRES board in coming years.
27. Fiona Pimm, of Christchurch, has extensive experience in governance roles in the health, government, and NGO sectors, and also with local iwi and rūnanga. She was recently appointed to the new Māori Health Authority but will have capacity for SRES, if appointed, as she is ending some other governance roles. Ms Pimm gave an

impressive interview, demonstrating her personal style of being focused and well-prepared.

- 28. She is interested in bringing different perspectives to the work of SRES, and SRES would benefit from her experience in leading strategy in different sectors and also in leading an organisational closure. Ms Pimm is of Ngāi Tahu descent with affiliation to Arowhenua.
- 29. Making the recommended appointments now will add two new female directors to improve gender balance, bring valuable diverse experience and diverse ethnic backgrounds, and enthusiasm about contributing to the work of SRES. ^{s9(2)(a)}



Diversity

- 30. Gender and ethnicity are considerations alongside other factors such as geographical location, culture, age, skills, and experience to ensure diverse perspectives are represented on the board of the SRES.

Table 4: SRES Board diversity (current and post proposed appointments)

SRES	Gender	Region	Ethnicity
Current	34% Female 66% Male	Canterbury, Otago	3 x NZ European
Post	50% Female 50% Male	Canterbury, Wellington	2 x NZ European 1 x Māori 1 x British/Irish 1 x Indian

Chair reappointment recommended

- 31. We recommend reappointing Alister James as the chair of SRES to 30 June 2024. By June 2022 Mr James will have completed 3.5 years as the chair, and maintaining continuity in this role will be valuable as the board manages its work through to 2024. By that time we will have more certainty about the remaining work of SRES, and decisions can then be made about the future needs of the board.

Deputy Chair appointment recommended

- 32. We recommend reappointing Bevan Killick to the SRES Board to 30 June 2024, and elevating him to the deputy chair role to replace Anne Urlwin when she retires from the board (expected to be 30 November 2021). Mr Killick is very experienced at SRES, and he will also be taking on the role of chair of the audit committee.

Next Steps

- 33. If you agree to the recommended appointments, we will provide documentation to support consultation, with the objective of the appointments being considered at APH Committee on 24 November 2021.
- 34. If you agree to a further search for another candidate for EQC who can bring diverse experience to governance, strategy, research, and people & organisational culture, and wider ethnic representation to the board, we will report back with a proposed shortlist for interview in a few weeks. The aim would be to submit another appointment along with Chris Black’s appointment to a December APH meeting.