

## Claimant Reference Group Meeting Summary

October 15th, 2018

### Attendees

- Tom McBrearty
- Mel Bourke
- Ali Jones
- Dean Lester
- Phillipa Moore
- David Townshend
- Jo Petrie
- Linda Ngata
- John Patterson
- Brian Yee (Facilitator)
- Andrew Darlington (Facilitator)
- Renée Walker (EQC)
- 9(2)(a) (EQC)

### Meeting Summary

#### *Welcomes and introduction*

- As there were two new members present, a full round of introductions was completed. Brian also took the group through the agenda for the day

#### *Confirm Terms of Reference*

- A draft Terms of Reference was circulated prior to the meeting for members to consider
  - Changes to the Terms of Reference were agreed and captured, with a revised version to be sent to members for approval
  - The significant changes revolved around the relationship between the group and EQC. It was made clear that the group has significant autonomy. A disputes section will be added to the Terms of Reference to outline how any disagreements between the group and EQC will be resolved
  - The purpose of the group was also highlighted as not being correct. The purpose was included in the design document which had been circulated to members, but as changes had not been clearly highlighted this was not seen by all members. The group asked for changes to be clearly highlighted in deliverables in future
- ➔ **Action: MSH to write-up changes to Terms of Reference and circulate to group for approval (with changes clearly highlighted)**
- ➔ **Action: Discussion around the purpose of the group to be scheduled at a future meeting**

#### *Finalise group design, including key roles of facilitator and chair*

- MSH debriefed the group on their conversations with EQC about the design of the CRG. In summary, EQC was highly supportive of the design and the model
- One element of the model that was not finalised in the initial design was how CRG fit into EQC's change approach. MSH presented the "EQC by Design" approach, and showed where the CRG's advice would fit

- MSH also shared some comments captured during the EQC testing session about what it would take to make the CRG successful
- Finally, the four key roles were defined at discussed – CRG Chair, CRG Members, Facilitator, CRG Sponsor

#### *Discussions with Sid Miller and Renée Walker*

- Sid Miller (Chief Executive) and Renée Walker (Deputy Chief Executive Canterbury & External Affairs) joined the meeting
  - Sid and Renée spoke to the group about the overall context for EQC, their commitment to making the CRG a success, and some of the challenges they see in the future. Renée also spoke about the Greater Canterbury Claims Resolution Service (GCCRS) and suggested that the CRG would serve as the homeowners panel in the GCCRS
  - The members had an opportunity to ask questions of Sid and Renée, covering a wide range of topics. Sid and Renée spent almost three hours speaking to the group
- ➔ **Confirm with Renée whether the test case mentioned at the meeting will give clarity on who is liable for onolds, or if the case will only determine whether EQC is or is not liable**
- ➔ **Find out from Renée what will be communicated to the public prior to the legal outcome of the test case, as this would give homeowners assurance that this issue is being progressed**

#### *Elect Chair*

- The group had to elect a Chair. Nominations were requested, resulting in Ali Jones and Tom McBrearty putting themselves forward. After a secret ballot, Tom was appointed Chair with 5 votes to Ali's 4 votes

#### *Collate issues for future discussion*

- The group started to develop a pipeline of issues to discuss with EQC. MSH captured ideas and will write these up to be added to over time
- The group identified two issues which were the highest priorities for discussion:
  - Independence of experts (and GCCRS panel members)
  - Definition of natural disaster damage and the standard to repair to

## Claimant Reference Group Meeting Summary

October 30th, 2018

### CRG Members in Attendance

- Tom McBrearty, Mel Bourke, Ali Jones, Dean Lester, Phillipa Moore, David Townshend, Jo Petrie, Linda Ngata, John Patterson

### Facilitators

- Brian Yee (Facilitator), Andrew Darlington (Facilitator)

### Guests

- Renée Walker (EQC), 9(2)(a) (EQC), 9(2)(a) (GCCRS)

### Apologies

None

### Meeting Summary

#### *Develop and agree group decision making processes*

- Between meetings, there was some concern raised about how decisions were being made – specifically in relation to the role of the Chair and what authority the Chair has. To clarify this, we went through a range of scenarios where decisions would have to be made and agreed how the decisions should be made
- The agreed processes are included below
- It was agreed that unless explicitly stated otherwise, the Chair is always representing the Group and should undertake appropriate consultation processes to ensure they canvas the group's views

#### **Agreed processes for making Group decisions**

<b>Decision</b>	<b>Agreed process</b>
1. Membership of CRG (adding or removing members)	Members must be nominated by either CRG or EQC. Nominations should be put forward at a CRG meeting and must be seconded by a different CRG member. Once seconded, the Chair and EQC Chief Executive must discuss and agree on the appointment
2. Priorities of issues to raise with EQC	Discussed and voted on in CRG workshops, with Chair holding deciding vote in case of disagreement
3. Agreeing to put an EQC request for advice on group's agenda	CRG should not outright refuse a request for advice, but we should ensure there is clarity about what is being asked for so that it can be prioritised in context of other pieces of work. This means advice may not be given at the meeting immediately following the request being received
4. Agenda items / make-up of meetings	A standard agenda should exist. The agenda should be emailed to all of the group approximately two weeks prior to the meeting with proposed items filled in to ask for any new

	items to be included.
5. Advice captured during meetings	Consensus group view, with Chair having deciding vote in case of disagreement
6. Sign off advice written-up after meetings	Advice / recommendations should be included in meeting minutes (in substance or as an attachment) and then circulated as draft, and approved at next meeting
7. Approve meeting summaries as accurate	As above
8. Decision to create media releases	Anyone can propose a media release. It can be drafted prior to being proposed if the member would prefer. Agreement on whether to release it or not to be decided as a group, preferably in a meeting (if timeframes allow). Chair has deciding vote in case of disagreement
9. Signing off content of media releases	Draft release should be circulated to the group for feedback. Every member should have the opportunity to approve, object, or suggest changes. Changes should be incorporated. If time is limited and full consultation is not possible, either defer the request or obtain a quorum consensus
10. Decisions about how the group operates outside of meetings (e.g. OIA process / website)	Anyone can propose a change to how the group operates. This must be added to the agenda for a meeting. Decision to be made as a group, preferably in a meeting (if timeframes allow). Chair has deciding vote in case of disagreement
11. Media protocols (e.g. media calling you up)	Refer enquiries to the Chair unless it is an area you have commented on in the past, but must inform Chair and other members that you have engaged with Media. It must be made clear that you aren't speaking for the group

- ➔ **Action: Update Terms of Reference to state that the group should consist of “no more than nine permanent members”**
- ➔ **Action: Create a standard agenda template with regular standing items on it to use as a base for future meetings**
- ➔ **Action: Update Terms of Reference to make a quorum five members**

#### *Agree OIA process*

- Prior to this meeting, EQC received an OIA request relating to the CRG and its activities. EQC requested that the group agree a protocol outlining the involvement they would like to have in responding to OIA requests that relate to the group
- A proposed process was put up, which has been included below
- Initial advice from EQC indicated that only documents and information provided to EQC would be covered by the OIA. The group challenged this and suggested that everything the group produces, including correspondence between members which EQC is not copied into should be included in responses to OIA requests

- Mel also raised that EQC appears to have changed the OIA section on their website to remove the email address that used to be here. The group requested an explanation from EQC for why this was done

### **Agreed protocol for responding to OIA requests**

When EQC receives an OIA request that asks for information about the CRG, the following process will be used:

1. EQC informs the group through the CRG Chair as soon as request is received
2. Once all information is collated (timeframes dependent on scope of request), information is circulated through Chair for feedback
3. CRG has five working days to review information, dependent on scope of request
4. Chair collates any feedback from members and provides to EQC
5. If further consultation is required, process repeats

➔ **Action: Seek clarification from EQC on whether correspondence between group members is covered in the OIA, noting that the group believes it should be**

➔ **Action: Request an explanation from EQC as to why the email address was removed from their OIA page, and request they restore this information**

### *Presentation from 9(2)(a) on GCCRS*

- 9(2)(a) Greater Christchurch Claims Resolution Service (GCCRS) joined the meeting to take the group through the design of the new GCCRS
  - 9(2)(a) shared an overview of the GCCRS and information on the volume of people accessing the service and where they have come from
  - 9(2)(a) acknowledged a number of CRG's concerns such as the independence of experts, and said he would be open to discussing these with the group at a later date
  - 9(2)(a) explained the GCCRS's need for a Homeowner advisory panel, and asked if the CRG would be interested in fulfilling this function. The Homeowner panel will be responsible for raising opportunities for GCCRS to do things better, giving feedback and advice on GCCRS outputs like the customer charter and website, and raising any issues or concerns on behalf of homeowners
- ➔ **Action: CRG to determine if they want to be the homeowner advisory panel for the GCCRS, and if so, what form this will take**

### *Discussion with Renée Walker*

- Renée Walker joined the meeting for a Q&A session with the members
  - The test cases which were mentioned at the previous meeting were discussed again. Renée indicated that there is a briefing for the Minister outlining all the details of the test cases, which will be shared after it has gone to the Minister
  - Renée also told the group that Sir Michael Cullen is visiting Christchurch on November 14<sup>th</sup>. Renée asked the group if they would be interested in meeting Sir Michael Cullen, which the group agreed to. This will also be a good opportunity to explore the design lab
- ➔ **Action: Organise meeting with Sir Michael Cullen on November 14<sup>th</sup>**
- ➔ **Action: Renée to share briefing for the Minister on test cases with CRG when appropriate**

*CRG discussion to clarify issue – “independence of experts”*

- Due to being short on time, CRG agreed to delay the bulk of the conversation about this issue to the following meeting. However, to help prepare for and focus the conversation at the next meeting, the group captured a list of questions for EQC to respond to prior to the next meeting. These questions were:
    1. Is it your intent to always use impartial and independent experts?
    2. What is your current documented definition of impartiality and independence with regards to experts?
    3. What is your selection process for engagement of experts? What role/position in EQC completes the procurement process?
    4. How do you communicate to claimants that experts are impartial and independent, and do you think you have to?
    5. Have you changed your instructions and briefs given to professionals over the last five years, and if so how? If yes, how have you applied these changes to claims or assessments that are still in dispute?
    6. How do you ensure that each case manager is giving consistent and clear instructions and briefs across EQC?
    7. What is the quality control process for advice from experts to regularly test their independence and impartiality? Does this include an “insurance review”?
  - An extra question was originally included, which the group voted on and agreed to remove. Mel Bourke and Jo Petrie voted to include the question, and requested their disagreement with the group decision to be recorded. The extra question was:
    - Can you provide various examples of instructions and briefs (given to professionals or trades) over the last five years?
  - Mel and Jo asked if they could request this information from EQC through the CRG process just for their information and to aid their understanding of the EQC processes. The group agreed with this approach
- ➔ **Action: Provide questions to EQC and obtain response prior to next meeting**
- ➔ **Action: Send extra question to EQC and request the answer be sent directly to Mel and Jo**

*Request for advice from EQC – “claimant communications”*

- Renée Walker and 9(2)(a) joined the meeting. 9(2)(a) has been working with Renée on improving the fact sheets that were provided to the Group. Renée indicated that EQC has been working on their tone of voice, and wanted to know if this was evident in the documents provided to CRG. She also asked if the documents as they stand can be improved to where they need to be, or whether they should start again
- The group asked Renée what the objective of fact sheets was. Renée said it was to help unpack some confusion around various issues people encounter when they are going through the EQC process
- Renée asked the group if EQC should look at doing community meetings or drop-in sessions to discuss and address emerging issues. The group said this was a good idea, but it might be better to have smaller, more constructive groups rather than town hall style information dumps

- The group then worked through the three documents provided by EQC and discussed issues or improvement ideas with Renée and 9(2)(a). A summary of this feedback is documented below:

#### **Fact sheet – Cap cost review**

- This document is very dry. It doesn't feel like it addresses the reader as a person
- The word "cap" does not exist in the Act or insurance policy. These documents need to be connected to the EQC Act rather than using colloquial language like "cap" without a definition
- We suggest making it clear that future claims will be affected if the cash paid out is not used to fix the damage it was intended to fix even though this may be seen as scary or a threat. It is important to emphasise that the purpose of insurance is to physically fix the properties
- There is nothing in this document about damage that results from tardiness or delays in repairing earthquake damage. It should be explained in this document how this relates to cap
- Emergency repairs is not mentioned
- We suggest removing the sentence "when we complete a cap cost review we ensure we comply with the EQC Act" as it is implicit that everything EQC does should comply with the Act
- Consider changing the heading to include "when we are reviewing a previously settled claim" so it is clear when in the process this document would be relevant to a claimant

#### **Fact sheet – EQC claims for a property you have purchased**

- Rather than "EQC is..." the sheet should say "We are...". This shows EQC taking more ownership of issues and makes the information feel more personal
- "Customer" and "Homeowner" are used in this document. We prefer "Homeowner"
- We suggest changing "residential property" to "home" on the third line
- There is no mention of the court cases coming up that may change this position. People only get half the story without this context
- "On sold" is not used in this document. It should say "commonly referred to as on sold properties" because this is a term that is being used in the media and the term people are familiar with
- Consider representing this document more visually as a series of "gates" to go through and the process that is used, rather than just text
- Consider framing the document to be aimed at people for who it hasn't gone wrong for yet. E.g. someone who is about to buy a house – what should they do? What do they need to look at and know?

#### **Overcap settlement letter**

- EQC shouldn't include an estimate of the total cost to fix a property. They should only state whether the cost is going to be over the EQC cap
- "Your future entitlement to EQC cover may be affected" should say "will be affected". This could even be expanded on to strengthen this point
- "and determine the total cost of repairing the damage" – remove the word total

### General principles applicable to all documents

- Key terms should be highlighted early in the document or in a separate box alongside the content so that people aren't confused when they encounter jargon that they aren't familiar with
  - Fact sheets should include a suggestion that people should file these with their insurance policies so they have the information they need if something goes wrong
  - Consider doing 2 minute videos about the important points from fact sheets. Videos are easier to digest for some people, and if they are interested they can then explore the detailed document
  - EQC should apply instructional design and technical writing processes to these documents rather than viewing them as simply communications
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- After Renée and 9(2)(a) left the room, the group had a discussion about their level of comfort in giving these recommendations to EQC. Brian pointed out that because the group had discussed the documents with EQC in the room we were unable to ensure that the recommendations EQC heard was a consensus view. The group agreed that the process of constructing recommendations without EQC in the room was important as it gave the group the chance to reach consensus and also gives the group the ability to ensure the recommendations given to EQC are accurate
  - The group also raised that they were uncomfortable with this engagement as even with the changes discussed, these documents still had issues, and therefore the group would not be willing to support them. The group agreed EQC should not say that the CRG has endorsed these documents. The following statement was agreed as a cover note for the group's advice:
    - This is our initial feedback based on the questions that we were asked and the time we had in the session. We believe there are grey areas in the documents that could create confusion (e.g. Deed of assignment for private insurers), and even if all of our feedback is addressed we may not endorse releasing these documents.
    - We request that EQC revise these documents to incorporate our feedback and also to address the grey areas to the best of your ability, and then bring these back to the group for a subsequent discussion so we can provide further advice or endorse the documents

➔ **Action: CRG members to review recommendations captured above and approve for release to EQC**

#### *Next meeting*

- The group agreed to have two meetings prior to Christmas. The next meeting is on November 19<sup>th</sup>, with another on December 10<sup>th</sup>

*Meeting closed 4pm*



## Claimant Reference Group Meeting Minutes

**Date:** November 19th, 2018

**Time:** 9am – 4pm

**Location:** MBIE, 161 Cashel St

### Attendees

#### CRG Members

Tom McBrearty, Mel Bourke, Ali Jones, Dean Lester, Phillipa Moore, David Townshend, Jo Petrie, Linda Ngata, John Patterson

#### Facilitators

Brian Yee (MSH), Andrew Darlington (MSH)

#### Guests

Renée Walker (EQC), Sid Miller (EQC), 9(2)(a) (EQC), Conrard Watt (MSH)

#### Apologies

None

## Minutes

#	Item	Time	Attendees
1.	<b>Welcome and housekeeping</b>		
1.1	Confirm today's agenda	9.00am	CRG

- Today's agenda was agreed by the group
- It was agreed that in future meetings, a "general business" agenda item will be added to the end of item 2 "Matters raised by members" to allow discussion of any topics that have arisen between the agenda being finalised and the date of the meeting

1.2	Approve previous meeting's minutes	9.05am	CRG
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- Mel raised a potential issue that the CRG and GCCRS panel could be seen as exclusive if they are both made up of the same group of people. Tom stated that his understanding is that 9(2)(a) is working to avoid this, but wants a panel set up quickly with diversity to come later. Tom undertook to pass on the concerns and clarify this with 9(2)(a)
- ➔ **Action: Tom to speak with 9(2)(a) about the overlap between CRG and the GCCRS panel**
- The group agreed that the recommendations captured in the minutes around the EQC communication documents could be released to EQC along with the associated caveat
- ➔ **Action: Provide recommendations to EQC and agree when they will report back to the group to show how they used the recommendations**
- Ali moved that the minutes should be approved, Linda seconded

1.3	Review actions log	9.10am	CRG
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- The group reviewed the actions from previous meetings and the associated status of each action. No significant issues arose
- The group had a quick debrief on the meeting with Sir Michael Cullen that took place on November 14<sup>th</sup>. Overall, it was felt to be a very positive engagement. Sir Michael Cullen encouraged CRG to make a submission to the EQC Inquiry, which the group agreed could be good idea. This needs to be prioritised in the context of the group's other work.
- ➔ **Action: Add "submission to the EQC Inquiry" to the list of issues to be prioritised at the next meeting**

2.	<b>Matters raised by members</b>		
2.1	Discuss whether CRG wants a public facing website, and if so what should be on it	9.20am	CRG

- Because of the level of public interest in CRG, it has been proposed that CRG have a page on the EQC website explaining who the group is and what they do
- The group agreed that transparency is critical, and saw a website as a good way of being transparent with interested members of the public
- The group agreed that a page on the EQC website should be set up, and asked EQC to provide a mock-up of the page which should include an overview of why the group was set

up, how it was set up, who is on the group and how it operates, and also a section for FAQs which members can collate and EQC should provide answers to

- Once the webpage is up and running, the group agreed that the webpage should also include the issues they are working through and their current status, but this can be added at a later date
- John raised a potential challenge around getting information to people with computers. For them, a website isn't going to be very useful. Similarly, Linda raised that Maori will almost always prefer face-to-face as a primary way of communicating. The group agreed to discuss how to reach these groups at a future meeting

➔ **Action: EQC to provide a mock-up of the website for CRG approval at the next meeting**

➔ **Action: Add discussion around how to get information to different groups of people (e.g. no computer, Maori) on the next meeting's agenda**

2.2	Finalise purpose for CRG to be included in Terms of Reference	9.30am	CRG
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- Because one of the inputs to this conversation was an excerpt from the group's recent media release, the group had a quick conversation about the media release. Ali apologised for the mistakes with people's associations in the initial release, and said that ideally the group wouldn't have to work under such pressure. Mel shared some feedback she had received from some claimants, saying that they were surprised the CRG appeared to be acting as a "booster group" for EQC. The group agreed to put time on a future agenda to discuss the purpose of media releases and whether the group has to comment on announcements like the inquiry immediately

➔ **Action: Add discussion around purpose of media releases and when group should release one to future agenda**

- The group then discussed what the purpose for the CRG should be recorded as. After a conversation, it was agreed to record the purpose in the terms of reference as:
  - CRG's purpose is to advise EQC, from a claimants' perspective, how to address and improve performance to ensure timely, fair and clear outcomes for claimants, as per the EQC Act. The group will achieve this by focussing their efforts on "ensuring EQC is actively resolving the most important issues openly and transparently with claimants".

➔ **Action: Circulate final version of Terms of Reference to members and EQC**

2.3	Discuss the fees regime currently outlined in Terms of Reference (Mel Bourke)	9.50am	CRG
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- Andrew presented a revised version of the remuneration section of the Terms of Reference. This version made it clearer how the fee for members was determined, and what fee should be paid for time outside of standard full day CRG meetings. The group adjusted it resulting in the version below, which was approved for inclusion in the Terms of Reference:
  - **8. REMUNERATION**
  - 8.1 Members will be remunerated in accordance with the Cabinet Fees Framework for Members Appointed to Bodies in which the Crown has an Interest (Cabinet

Office Circular CO (12) 6). The CRG is classified as a “Group 4: All Other Committees and Other Bodies”. The remuneration rate includes preparation time and any follow-up work required for each meeting

- 8.2 Each member will receive \$728.00 (excl GST, if any) per full day CRG meeting attended. This is comprised of \$364.00 for the meeting, and \$364.00 for preparation and follow up work
  - 8.3 The Chair will receive \$1060.00 (excl GST, if any) per full day CRG meeting attended. The higher fee is for completing the extra responsibilities of the Chair role
  - 8.4 Attendance at workshops or meetings outside of the scheduled full day CRG meetings will be remunerated on a pro-rata basis of the full meeting rate, resulting in an hourly rate of \$45.50 (excl GST, if any) and \$66.25 (excl GST, if any) for the Chair, with a minimum of two hours being reimbursed for any engagement
- The group also discussed how they should be reimbursed for specialty work outside of group meetings such as writing press releases or content for the CRG website. The group agreed that they are all on CRG for their perspectives as homeowners, rather than for their individual expertise, therefore they should not be completing specialist work outside of meetings as part of the CRG arrangement.
  - The group did however identify that they would likely need specialist support from time to time, such as writing press releases, or completing stakeholder engagement analysis regarding the group’s communications. The group has asked if EQC is willing to make a budget available for the group to spend on expertise as required, which may be group members in a separate professional capacity, or external experts.
- ➔ **Action: Explore whether EQC is willing to allocate a budget to CRG accessing external expertise as required to assist its work, and if so, how much would this be and what requirements would be placed on how CRG uses it**

2.4	Discuss EQC jobs being advertised & change management approach (emails from Mel Bourke & Jo Petrie)	10.05am	CRG
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- As we were short on time, this session was a very brief conversation. Mel explained why she is interested in EQC’s change management approach as it seems like EQC is operating in BAU mode rather than having a co-ordinated approach to change management. Ali suggested that any information the group requests needs to be clearly linked back to what the group is here to do and the group needs to be able to explain why they need it
  - The outcome of this conversation was an agreement to add “Disconnect between Management’s stated intentions and what is happening on the ground, leading to a suspicion that there is a lack of disciplined change management” to the list of issues which will be prioritised at the next meeting.
- ➔ **Action: Add “Disconnect between Management’s stated intentions and what is happening on the ground, leading to a suspicion that there is a lack of disciplined change management” to list of issues for prioritisation**

2.5	Discuss future meeting dates and agendas	10.20am	CRG
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- The group discussed dates for future meetings. An alternative date is required for December due to Sid Miller and Renee Walker's availability, and the group agreed to meet monthly for the next six months.

	<b>Morning break</b>	10.30am	
<b>3.</b>	<b>Issue raised by CRG – Independence of Experts</b>		
3.1	Define specific issues and examples which should be raised with EQC (building on EQC's response to CRG's questions)	10.45am	CRG

- Brian re-introduced the processes that CRG uses to raise issues with EQC and explained how today's work fits in. At this meeting we were still in the first process "Develop list of issues supported by evidence". Brian asked the group to try and come up with specific issues supported by evidence to ensure that we could have a good conversation with EQC after lunch
- Brian also explained that "Independence of experts" is a big area and will likely take multiple conversations to fully explore, but the goal for today was to make a start and get some issues on the table
- Prior to this meeting, EQC provided a response to CRG's initial questions in this space. The group had a discussion about this response at an overall level before getting into specific issues. The general feeling was that the response was not at the right level of detail. Specific comments made were:
  - Ali: Defensive. Felt like the "company line". They know what we are asking but are not answering it in a direct way. If this was unintentional, it's really concerning because it means the culture and ways of communicating is not changing. If it was intentional, the lack of understanding is also concerning. As an example of communicating with us, it felt like obfuscating.
  - Dean: Transparent reflection of EQC's position. Written by someone who is beholden to what has been done for 8 years. Recognises that they could have learned more
  - Mel: Represents exactly why we've got the problems we've got
  - David: Took much longer than we would have expected to get these answers. This response doesn't suggest EQC is listening to us.
  - Tom: If the general public was to read this it would absolutely endorse their lack of trust in how the organisation is being run
- The group then spent the rest of the session discussing and agreeing specific issues as outlined in the table below:

<b>Specific problem</b>	<b>Impact of problem on claimants</b>	<b>How we know this is a problem</b>
1) Experts' reports are not adhering to the Act and the provided instructions	Claimants are not receiving correct information, which results in claimants not getting full and fair entitlement and/or an incorrect repair	<ul style="list-style-type: none"> <li>Thousands of remedial repairs</li> <li>CEDAR report (showing ~60% of building work was wrong)</li> </ul>
2) Case Managers are not issuing briefs specific for each claim	Reports and assessment for the property is incomplete and does not have the history of	<ul style="list-style-type: none"> <li>Evidence of specific cases</li> </ul>

	the claim (which is often relevant information)	
3) EQC engaged a group of experts to create a technical response to the EQ events that was never intended to comply with the EQC Act. For example, it doesn't recognise damage the same way the Act does, or correctly recognise land damage	Any advice produced that relies on the MBIE guidance will not necessarily meet the standard of the EQC Act	<ul style="list-style-type: none"> <li>• An email from the leader of group who created guidance saying they were never briefed to, or intended to, meet the EQC Act</li> <li>• Declaratory settlement</li> </ul>
4) From the answer to Q5, it would appear that there have been changes to instructions or briefs that have occurred from time to time, but nowhere has evidence been provided as to how these changes are embedded into the organisation and that contractors/case managers are aware of the change	Out of date instructions and processes are likely still being used, and therefore reports would be inaccurate/incomplete	<ul style="list-style-type: none"> <li>• Answers provided to CRG questions state the brief is likely to have varied, but do not say anything about training or sharing changes</li> </ul>
5) EQC's answer to Q5 about whether briefs have changed appears to be inaccurate	N/A for claimants, but has impact on CRG's trust in EQC's answers	<ul style="list-style-type: none"> <li>• One example of a brief template dated 2018 provided to CRG Member, suggesting there has been changes as recently as this year</li> </ul>
6) EQC and their experts were advising MBIE as an input to the latest MBIE update on rubble foundations, which was based on inaccurate advice and was not impartial because it was not supported by all the expert opinion available. Essentially EQC influenced MBIE and formulated an outcome	People are not getting their houses repaired correctly when new, and as per building regulations. Causes confusion, distress and longevity of the problem	<ul style="list-style-type: none"> <li>• Huge body of data and reference material from academics and subject matter experts that differs from EQC/MBIE's current view</li> </ul>
7) EQC has "inherited" a number of contractual relations with experts from Fletchers EQR, who are still working to the incorrect processes they were trained in	Experts from Fletcher EQR were trained to work to a pre-earthquake condition and in line with the MBIE guidance. Results in people not getting their houses repaired correctly	<ul style="list-style-type: none"> <li>• Cases and reports still being generated</li> <li>• Q7 answer says there is no structured or systematic review of independence and impartiality</li> </ul>
8) There isn't a way for EQC to ensure case managers are giving consistent and clear instructions and briefs across EQC	There is inconsistency which has impacts above	<ul style="list-style-type: none"> <li>• Answer to Q6 says that a standard briefing document is used, but there is no overall process</li> </ul>

	<b>Lunch</b>	12.30pm	CRG, Renee Walker, Sid Miller, 9(2)(a)
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- At lunch Sid Miller, Renee Walker and 9(2)(a) from EQC joined the group for unstructured conversation on topics of common interest over lunch

3.2	Present CRG's issues to EQC representatives	1.00pm	CRG, Renee Walker, Sid Miller, 9(2)(a)
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- After lunch, Tom took Sid and Renee through the group's overall feedback on EQC's response to the questions. Sid and Renee were receptive to the feedback and Sid asked for clarification on what "good" would look like. The group said that EQC should answer the question clearly, give a good amount of detail, and don't be afraid to be open. Renee acknowledged that EQC needed to spend more time on the response and needed to keep the audience in mind

3.3	Discuss issues with EQC representatives to identify and agree fundamental problems, and how EQC will work to address them	1.30pm	CRG, Renee Walker, Sid Miller, 9(2)(a)
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- The group walked through the specific issues identified and discussed each one with Sid and Renee. For each issue we asked EQC if they agreed it was a problem, and why or why not
- The result of this conversation is captured in the table below:

Specific problem	Does EQC agree this is a problem? Why?/not?
1) Experts' reports are not adhering to the Act and the provided instructions	Yes. It might be useful to separate this issue into "interpretation" (i.e. expert producing report) and "quality of work" (i.e. tradespeople completing repairs) because the causes are likely to be different. There is variability in how processes are carried out by EQC which also impacts this
2) Case Managers are not issuing briefs specific for each claim	Yes. It is a communication issue about how we brief and train our staff and experts to take into account the homeowner's perspective while ensuring objectivity
3) EQC engaged a group of experts to create a technical response to the EQ events that was never intended to comply with the EQC Act. For example, it doesn't recognise damage the same way the Act does, or correctly recognise land damage	Yes. We need to look at this. We need to explore how often the MBIE guidance is being used as the sole guidance, rather than experts also using the Act as guidance.  EQC needs to look at how people are being trained to use the guidance today (if at all)
4) From the answer to Q5, it would appear that there have been changes to instructions or briefs that have occurred from time to time, but nowhere has evidence been provided as to how these changes are embedded into the organisation and that contractors/case managers are aware of the change	Yes. Briefs and instructions have changed. We still have an issue with consistency, which is why we're making structural changes to deliver greater consistency.  We need to audit everything in circulation, share it, and continually check everything that is being used

5) EQC's answer to Q5 about whether briefs have changed appears to be inaccurate	As above.
6) EQC and their experts were advising MBIE as an input to the latest MBIE update on rubble foundations, which was based on inaccurate advice and was not impartial because it was not supported by all the expert opinion available. Essentially EQC influenced MBIE and formulated an outcome	Not sure at this time. EQC needs to take this back to MBIE and explore whether this is an issue / what the story is
7) EQC has "inherited" a number of contractual relations with experts from Fletchers EQR, who are still working to the incorrect processes they were trained in	Yes. There's a range of things going to be needed to address it, and the issue is more widespread than just the former Fletchers EQR people
8) There isn't a way for EQC to ensure case managers are giving consistent and clear instructions and briefs across EQC	Yes. We have identified a need for training and ongoing quality assurance around areas like this

- It was agreed that the next step was for EQC to come back to the group with proposed work to address these issues. This may be existing work underway or new work that is required. Tom and MSH will work with EQC to help them structure their response in a way that will be useful for a subsequent discussion at CRG

➔ **Action: EQC to provide a response to these issues outlining what EQC proposes to do to resolve them, and when**

- Before moving onto the next session, Renee gave a quick update on the test cases and answered some questions about the briefing that was circulated to members. Renee pointed out that the situation is fast moving and changing very quickly, which is why some of the information in the briefing was no longer relevant

<b>4.</b>	<b>Request for advice from EQC – Prioritising CRG's involvement</b>		
4.1	Review list of projects from EQC and select the projects CRG would like to be involved in	3.00pm	CRG, Renee Walker, Sid Miller, 9(2)(a)

- Renee walked the group through the list of projects that EQC is working on. For each strategic priority she gave a brief overview of what the work is trying to achieve, and the group asked clarification questions
- There was not enough detail or time for the group to identify specific areas to be involved in, although Renee suggested that SP4: Claims Settlement Strategy would be an area that would benefit from CRG involvement. Brian also raised that SP7: Customer was an area CRG should look at getting involved in
- The group requested more detail and agreed to prioritise specific projects at the next meeting

➔ **Action: EQC to provide more detail around the projects in each strategic priority**

➔ **Action: Selecting and prioritising projects to be involved in alongside CRG issues to be put on the agenda at the next meeting**

	<b>Meeting Close</b>	4.00pm	
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# EQC Claimant Reference Group

## Design Document

Version 0.3 – Draft Workshop Write-up

30<sup>th</sup> August 2018



# Introduction

- This presentation is the output of the workshop held on 23<sup>rd</sup> August 2018 to design the EQC Claimant Reference Group
- In attendance were:
  - Mel Bourke
  - Lucy D'Aeth
  - David Townshend
  - Ali Jones
  - Jo Scott
  - Tom McBrearty
  - Dean Lester
  - Phillipa Moore
- This document contains the group's views on how they should operate to engage with EQC. This needs to be supplemented with EQC's perspective to ensure that there is a shared commitment to this way of operating

# Contents

1. Name of the group
2. Purpose of the group
3. How the group will interact with EQC
4. How the group will operate
5. What the group is aiming to deliver
6. Support required from EQC to establish and run group
7. Thoughts on membership
8. Next steps

# 1. Name of the group

## The group would prefer to be called the “EQC Claimants Reference Group”

- In Christine Stevenson’s report, the recommendation was to set up a “Claimant Reference Panel / Group”
- Prior to the design workshop, EQC suggested that the group be renamed to the “Voice of Customer Panel”
- At the design workshop, the group members discussed the suggested group’s name, and raised concerns about how it would be perceived. Specifically:
  - “Voice” feels disembodied and passive. The group wants to be part of a conversation with EQC, not just listened to
  - “Customer” implies that EQC claimants have chosen to become customers of EQC, but this is not the case. Claimants are forced into a relationship with EQC due to a natural disaster beyond their control
- As a result, the group debated the ideal name and settled on a preference for the original name – the “EQC Claimant Reference Group”

## 2. Purpose of the group

## The group's purpose is to improve the EQC experience of current and future claimants, with an immediate focus on Christchurch experience

- To define the purpose of the group we first had to decide who the primary customer of the group was. The primary customer defines whose needs are prioritised above all others when designing the way the group will work
- We agreed that the primary customer is “Current and future EQC claimants”
- The inclusion of “current and future” is important, as it signifies a two-stage approach to the group’s advice:
  - In the short term, the group wants to focus on the Christchurch experience to ensure that changes are implemented quickly to resolve the significant issues that still exist in Christchurch
  - After this, the group wants to focus on improving EQC’s processes and systems based on learnings from Christchurch so that EQC is prepared for future events, and so that the issues which exist in Christchurch will not be repeated in future
- Therefore, we would describe the group’s purpose as “improving the EQC experience of current and future claimants, with an immediate focus on Christchurch experience”

### 3. How the group will interact with EQC

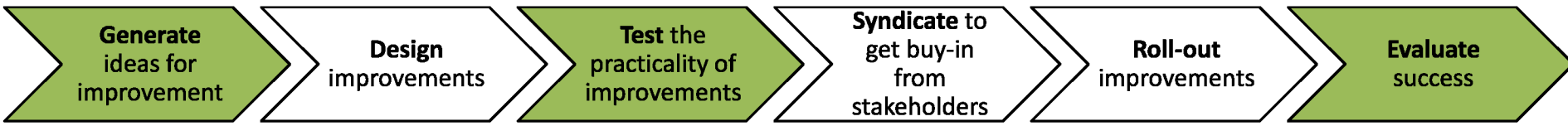


## When EQC is making improvements to their operations they will be using a process similar to the conceptual model below



- When EQC is making improvements or resolving issues, they will be following a process similar to the design, test, syndicate, roll-out cycle (illustrated above)
- When the design of the Claimant Reference Group is tested with EQC, we would like to understand the process and language they use, and replace this model with the EQC process so there is no confusion about where the CRG fits in the EQC system

## The CRG is best placed to work with EQC in the generate, test and evaluate steps. Any design work should be completed by EQC

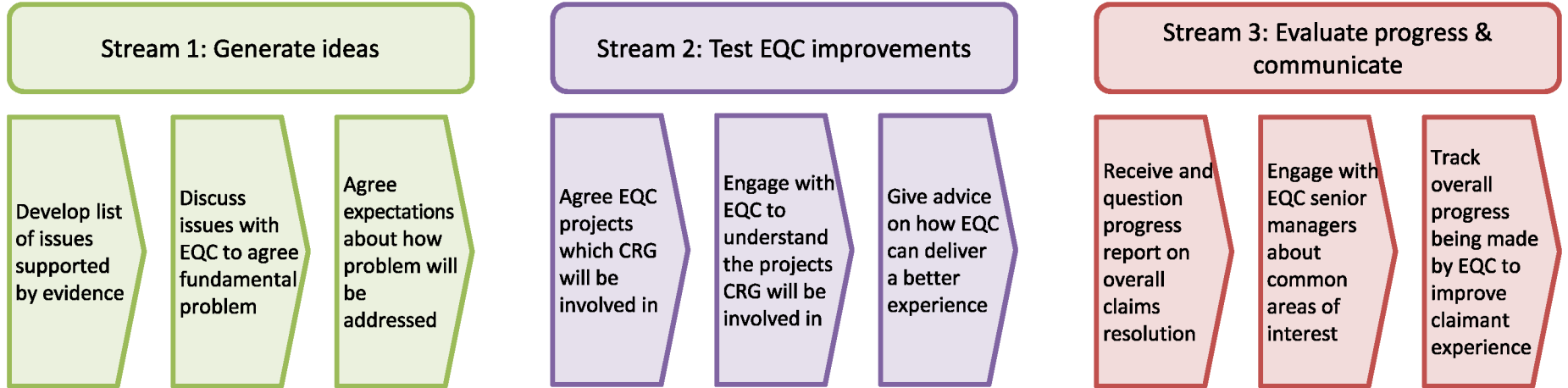


- The Claimant Reference Group agreed that they can add the most value in the **Generate, Test and Evaluate** stages of the cycle
- In a practical sense, the CRG would be helping EQC come up with initial ideas and prioritise the areas that need to be addressed, then after EQC has done some design work the CRG will help test the practicality of what has been designed using their experience as Claimants
- This could be a highly iterative process, with feedback from testing being sent back for more design work, until the solution was practical

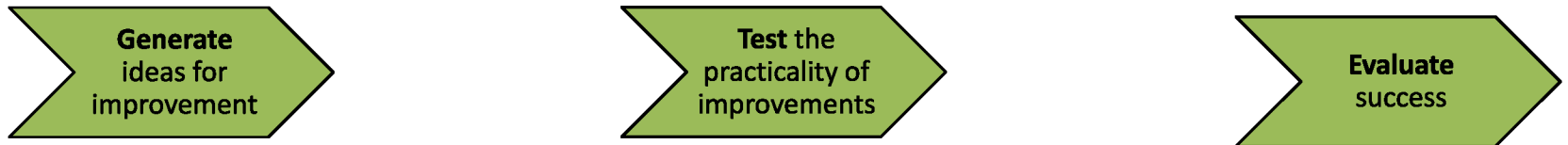
## 4. How the group will operate

# The CRG will operate with nine processes, split into three streams which align to how the group will work with EQC

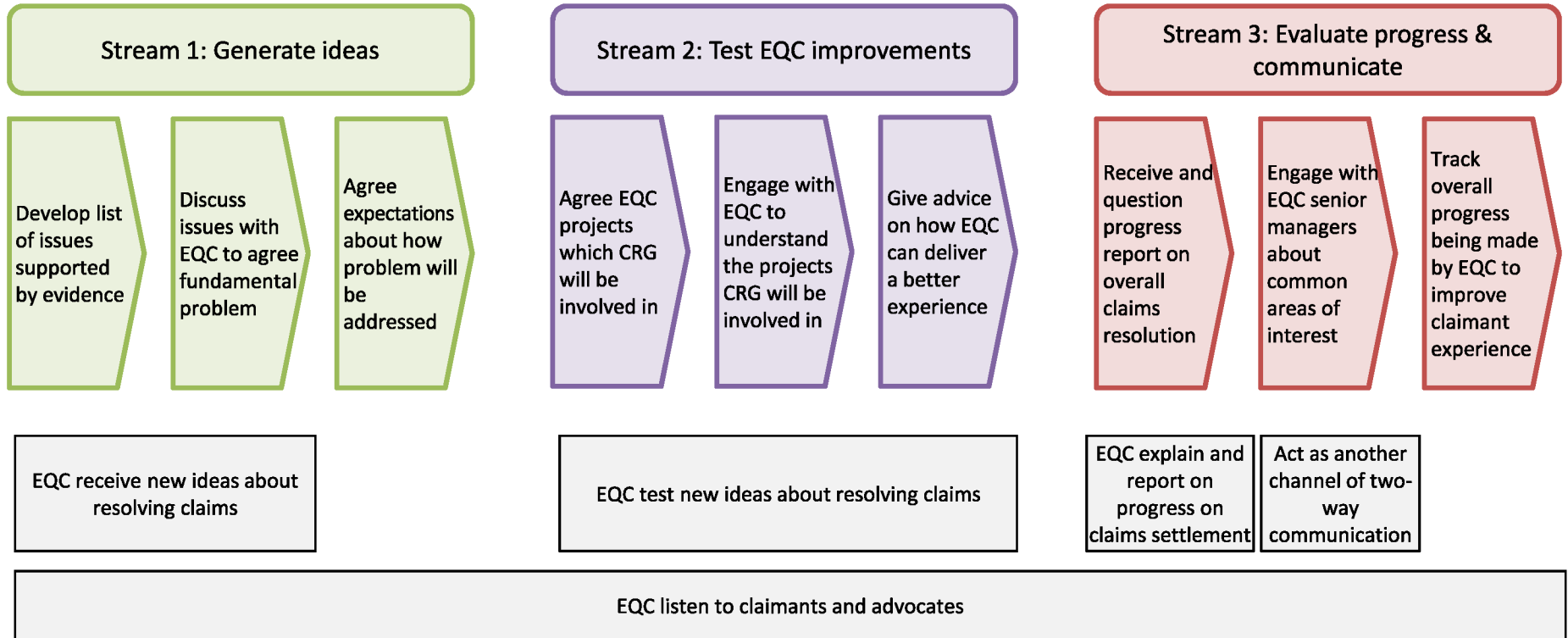
## The Claimant Reference Group's Processes



## Alignment to EQC design process



# These processes will deliver all the functions proposed in Christine Stevenson's report



# CRG meeting agendas should be aligned to these processes as illustrated in the sample agenda below

## Sample agenda for CRG meeting

Agenda item	Time	External guests
<b>Generate ideas</b>		
Capture any new evidence that has emerged since last meeting	15 minutes	None
Discuss issue “Approach to assessing damage” with EQC to agree fundamental problems	2 hours	Key senior managers from EQC
<b>Test EQC improvements</b>		
Presentation from EQC on “Improvements to handover process between EQC and insurers” project	1 hour	Project leader from EQC
Develop group’s advice in response to EQC	2 hours	None
<b>Evaluate progress &amp; communicate</b>		
Conversations with EQC Exec over lunch	30 minutes	EQC Exec member(s)
Discussion of progress report on overall claims resolution	30 minutes	EQC Exec member(s)
Update on progress of improvements being implemented by EQC	30 minutes	EQC Exec member(s)

## 5. What the group is aiming to deliver

## To determine what the group is aiming to deliver, we used the Strategy Canvas tool to understand the areas the group most wants to focus on

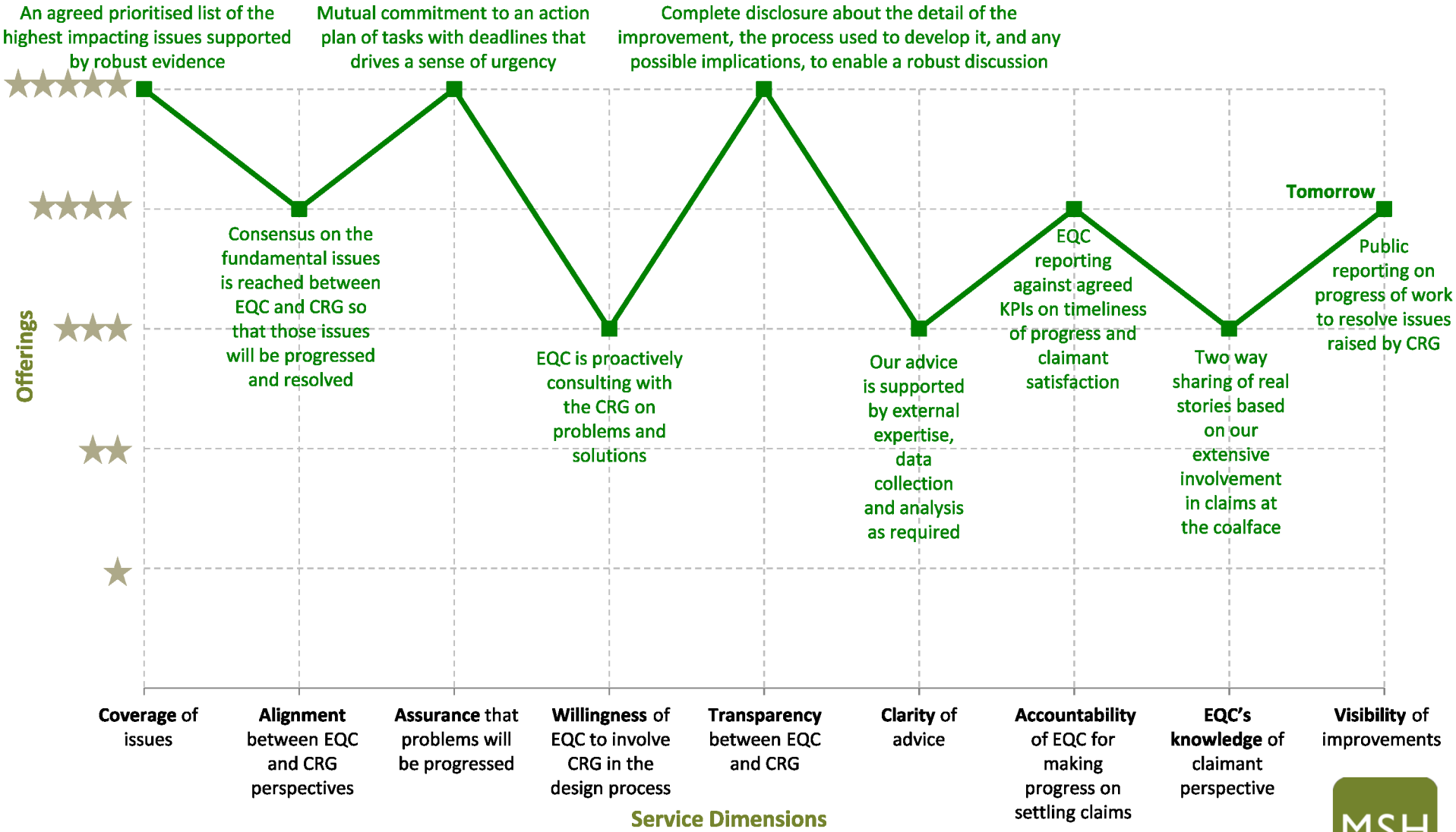
- Any business, group, or initiative needs to be clear about the value it is delivering to its customers. In the case of the Claimant Reference Group, we agreed that the customer is *current and future EQC claimants*
- We used a Strategy Canvas to explore what the CRG will focus on delivering for the benefit of EQC claimants. To do this we had to first work out the service dimensions, or areas that are important to EQC claimants from the group's work
- With the service dimensions agreed, we rated the group's aspirations on each of these scales between 1 and 5 stars. The important part of this process is ensuring the relativity between different ratings as this is essentially a prioritisation exercise. When the group is filling in the last 15 minutes of an agenda, which area should it go to? Ideally, one of the five star areas
- Finally we had to articulate these decisions in a statement, to give clarity about what the group would focus on, or what they are trying to achieve
- The following two slides contain the results of this discussion



## For each process we chose a service dimension that describes what the CRG aims to deliver to current and future EQC claimants

Process	Service Dimension
Develop list of issues supported by evidence	<b>Coverage</b> of issues
Discuss issues with EQC to agree fundamental problem	<b>Alignment</b> between EQC and CRG perspectives
Agree expectations about how problem will be addressed	<b>Assurance</b> that problems will be progressed
Agree EQC projects which CRG will be involved in	<b>Willingness</b> of EQC to involve CRG in design process
Engage with EQC to understand the projects CRG will be involved in	<b>Transparency</b> between EQC and CRG
Give advice on how EQC can deliver a better experience	<b>Clarity</b> of advice
Receive and question progress report on overall claims resolution	<b>Accountability</b> of EQC for making progress and resolving claims
Engage with EQC senior managers about common areas of interest	<b>EQC's knowledge</b> of claimant perspective
Track overall progress being made by EQC to improve claimant experience	<b>Visibility</b> of improvements

# The CRG will focus on “ensuring EQC is actively resolving the most important issues openly and transparently with claimants”



Service Dimensions



## 6. Support required from EQC to establish and run group

## For the CRG to be successful, there are a number of initiatives that need to be completed, some which require EQC assistance

Process	Service Dimension	Initiatives required to establish CRG
Develop list of issues supported by evidence	<b>Coverage</b> of issues	<ul style="list-style-type: none"> <li>• Develop framework and approach for collating and sorting list of issues as new evidence emerges and is gathered over time</li> <li>• Develop prioritisation mechanism to justify and explain to claimants why we are progressing certain issues with EQC before others</li> </ul>
Discuss issues with EQC to agree fundamental problem	<b>Alignment</b> between EQC and CRG perspectives	<ul style="list-style-type: none"> <li>• Establish process and rules of engagement for working with EQC to achieve a consensus view on the fundamental issues</li> <li>• Develop analytical, facilitated approach to identifying the fundamental issues (e.g. root cause analysis)</li> </ul>
Agree expectations about how problem will be addressed	<b>Assurance</b> that problems will be progressed	<ul style="list-style-type: none"> <li>• Create EQC policy outlining how issues raised by CRG will be prioritised and integrated with EQC's overarching workplan</li> <li>• Agree process for the CRG Chair to work with EQC representatives and reach mutual commitment to an action plan</li> </ul>

## For the CRG to be successful, there are a number of initiatives that need to be completed, some which require EQC assistance

Process	Service Dimension	Initiatives required to establish CRG
Agree EQC projects which CRG will be involved in	<b>Willingness</b> of EQC to involve CRG in design process	<ul style="list-style-type: none"> <li>• Agree process for the CRG Chair to work with EQC representatives to identify pieces of EQC work which CRG should be involved in, and what form this involvement should take</li> </ul>
Engage with EQC to understand the projects CRG will be involved in	<b>Transparency</b> between EQC and CRG	<ul style="list-style-type: none"> <li>• Develop protocols outlining the level of detail EQC should share with CRG about the work they are doing, and the level of confidentiality CRG members are expected to apply to the information received</li> </ul>
Give advice on how EQC can deliver a better experience	<b>Clarity</b> of advice	<ul style="list-style-type: none"> <li>• Develop suite of facilitated approaches to generate the CRG's advice, aligned to the points in the EQC service improvement process where CRG input will be required</li> <li>• Agree with EQC how the CRG can access external expertise, data collection and analysis as required to support their advice</li> </ul>

## For the CRG to be successful, there are a number of initiatives that need to be completed, some which require EQC assistance

Process	Service Dimension	Initiatives required to establish CRG
Receive and question progress report on overall claims resolution	<b>Accountability</b> of EQC for making progress and resolving claims	<ul style="list-style-type: none"> <li>• Agree KPIs for EQC to report to CRG regarding timeliness of progress and claimant satisfaction for settling claims</li> </ul>
Engage with EQC senior managers about common areas of interest	<b>EQC's knowledge</b> of claimant perspective	<ul style="list-style-type: none"> <li>• None</li> </ul>
Track overall progress being made by EQC to improve claimant experience	<b>Visibility</b> of improvements	<ul style="list-style-type: none"> <li>• Determine how to publicly report on progress of the work underway to resolve issues raised by CRG, including media policy for CRG members and whether the group's meeting minutes should be public</li> </ul>
Initial formation of the CRG	<b>N/A</b>	<ul style="list-style-type: none"> <li>• Develop terms of reference for the group outlining membership selection process, membership terms, and code of conduct</li> <li>• Formally select and appoint members to the group</li> <li>• Determine the level of administrative / secretariat support EQC can commit to helping run this group</li> </ul>

## 7. Thoughts on membership

## The members were impressed by the people in the room, but were concerned that some perspectives were not represented

- The initial members of the group were drawn from EQC's previous interactions with claimants and representatives
- The eight initial members were impressed with the calibre of people that EQC had managed to gather. However, they suggested that some additional perspectives should be included, specifically under-represented and hard to access groups like Maori and older people
- They also suggested that someone with experience of EQC's response to the Kaikoura and Edgecumbe event would be helpful so that there is the ability to understand what EQC has improved and what has stayed the same between the two events
- From MSH's perspective, the team at the design workshop was excellent. Every person had valuable contributions to make and helped make the final result better by being part of the process. The challenge for any group like this is ensuring that group members have broad knowledge of the issues, and experience beyond their own personal case. There was a lot of passion and emotion in the room, fuelled by members' own challenges engaging with EQC. This experience can't be forgotten, but group members need the ability to look beyond this and help EQC design the future



## 8. Next steps

## Next steps

- This design document is the output of the CRG workshop. We are circulating it to CRG members to ensure that we have accurately captured your intent
- Once approved by you, we will meet with EQC to take them through this work and help them understand the supporting infrastructure they will need to put in place to make this model work
- We will then further flesh out the design document to include EQC's component, and present this to the EQC Executive and Board to ensure they buy-in to this model
- Following the sign-offs EQC will need to organise for the panel to be run on an ongoing basis. This will be part of our discussion with them to ensure that momentum is not lost and action is quick