

**MINUTES OF THE MEETING OF
THE BOARD OF THE EARTHQUAKE COMMISSION**

**Held in Te Karo room, Christchurch
9.00am to 4.00pm, Thursday 1 July 2021**

Present:

Mary Jane Daly (Chair)
Erica Seville
Alastair Hercus (by Teams)
Emma Dobson (by Teams)
Fiona Wilson
Scott Lewis
Ruth Dyson
Alister James

In attendance:

Sid Miller, Chief Executive Officer
Tina Mitchell, Chief Strategy Officer
Kate Antonievich, Chief People Officer
Fraser Gardiner, Chief Financial Officer
Jaron Shaw, Chief Data Officer
Josh Lindsay, Chief Readiness Officer
Jo Horrocks, Chief Resilience and Research Officer
Pip Andrews, Head of OnSolds
Hamish Wall, Head of Performance & Reporting
Privacy [redacted], Head of Event Strategy
Privacy [redacted], Manager Office of the CE (Secretariat)

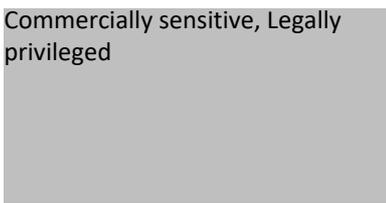
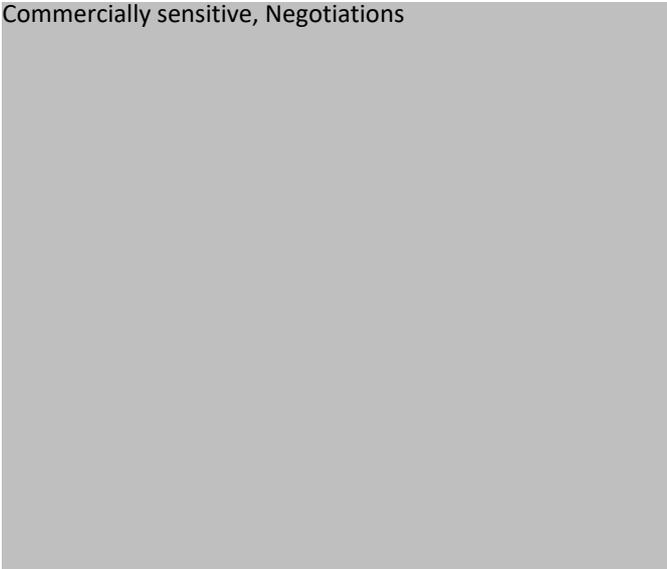
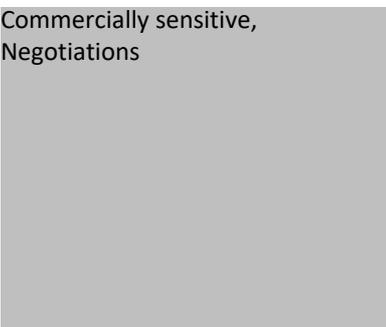
Apologies:

Nil

The meeting was declared open at 9.00am

	AGENDA ITEMS & KEY DISCUSSION POINTS	ACTIONS REQUIRED	DUE DATE
Section 1	Board Governance		
<i>Commissioners joined the meeting at 9.00am</i>			
	Board Only		
<i>Sid Miller joined the meeting at 9.15am</i>			
	Board and CE Only		
<i>Tina Mitchell and Privacy [redacted] joined the meeting at 10.23am</i>			
1.1	<p>Present and Apologies</p> <p>The Board:</p> <p>a) noted there were no apologies received.</p>		
1.2	<p>Interests Register / Declaration of Conflicts of Interest</p> <p>The Board:</p> <p>a) received updates from Erica Seville and Emma Dobson; and</p> <p>b) noted Alister James as Chair of Southern response Earthquake Services.</p>		
1.3	<p>Confirmation of Board Minutes – 13 May, 8 June, and 16 June 2021</p> <p>The Board:</p>		

	a) approved the Board minutes from 13 May, 8 June, and 16 June 2021 as a true and accurate record subject to the amendments discussed.		
1.4	Matters Arising and Action Points The Board: a) noted the updates to the Action Points.		
1.5	Proactive Release of Redacted Board Minutes – 2021 The Board: a) noted proactive release of redacted board minutes.		
1.6	Health, Safety, Security and Wellbeing Performance Report The Board: a) noted the general health and wellbeing of staff across the organisation is good and that there were no health, safety, security or wellbeing issues required to be raised.	Management to take PCBC through an example of how SRAs change when a risk is discovered on-site.	13/10/21
Section 2	Strategic Priorities		
2.1	Chief Executive’s Report The Board: a) noted the key focus areas outlined in the CE Report	Management to ensure to the annual report covers progress with the Public Inquiry. Management to arrange a joint NRG/HOAG meeting in 2022.	1/09/21 31/03/22
<i>Kate Antonievich, Jaron Shaw, Josh Lindsay, Hamish Wall and Jo Horrocks joined the meeting at 11.00am</i>			
2.2	Transformation update The Board: a) noted the progress that has been made across the Transformation Portfolio in the attached Transformation Portfolio Dashboard; b) noted the progress update in this paper on the Insurer Response Model (IRM); and c) noted that the overall Portfolio status moves to green with the Operational Commencement Risk Assessment on 8 June, endorsing commencement of the IRM on 30 June 2021.	Management to consider options for encouraging other agencies to pick up momentum on Public Inquiry implementation.	1/09/21
<i>Kate Antonievich, Jaron Shaw, Josh Lindsay, Hamish Wall departed the meeting at 11.16am</i> <i>Fraser Gardiner joined the meeting at 11.16am</i>			

2.3	Commercially sensitive, Legally privileged 	Commercially sensitive, Legally privileged 	28/07/21
2.4	Commercially sensitive, Negotiations 	Commercially sensitive, Negotiations 	1/09/21 1/09/21

	Commercially sensitive, Negotiations		
<p><i>Fraser Gardiner and Jo Horrocks left the meeting at 12.10pm.</i></p> <p><i>The Board met with Minister Hon Dr David Clark from 12.15pm to 12.55pm. The Board broke for lunch with the Minister from 12.55pm to 1.20pm.</i></p> <p><i>The Board meeting resumed at 1.25pm</i></p> <p><i>Jo Horrocks joined the meeting at 1.30pm</i></p>			
2.5	<p>Resilience Strategic Initiatives</p> <p>The Board:</p> <p>a) endorsed the broad approach to the three Resilience Strategic Initiatives, noting further detail will be forthcoming for Initiatives 2 and 3 as more detailed scoping is completed; and</p> <p>b) endorsed the Risk and Resilience Portal development programme starting in FY21/22, bringing it forward 12 months.</p>	<p>Management to look at possible guests at future meetings including Lianne Dalziel and NEMA.</p> <p>Management to engage with the NRG on how best to encourage communities to engage in a discussion on resilience and risk mitigation 'risk'.</p> <p>J Horrocks to engage with individual insurers on risk.</p>	<p>31/03/22</p> <p>30/06/22</p> <p>31/03/22</p>
<p><i>Jo Horrocks departed the meeting at 2.00pm</i></p> <p><i>Privacy [redacted] joined the meeting at 2.00pm</i></p>			
2.6	Legally privileged		1/09/21

<p>Privacy departed the meeting at 2.25pm</p> <p>Guests from Ocean Design joined the meeting at 2.30pm</p>			
2.9	<p>Rebrand Workshop</p> <p>The Board:</p> <p>a) noted the approach and process EQC is proposing to develop options for a new name for EQC; and</p> <p>b) discussed and provided feedback on the insights identified by Ocean Design (and provided in the Board pack as Appendix One to the paper).</p>		
<p>Guests from Ocean Design departed the meeting at 3.20pm</p> <p>Kate Antonievich and Josh Lindsay joined the meeting at 3.30pm</p>			
2.8	<p>Maturing our cultural understanding & engagement</p> <p>The Board:</p> <p>a) noted EQC's goals for maturing our cultural diversity and inclusion as a service provider and as a representative of the Crown;</p> <p>b) noted the initiatives EQC already has underway that support growth in this area;</p> <p>c) discussed and provided feedback on the questions posed in this paper, to inform EQC's progress; and</p> <p>d) noted management will present a draft Implementation Plan to the Board at its meeting on 1 September 2021.</p>	<p>Management to investigate and report back on what the expectations are of Crown Entities for Crown/Māori perspectives.</p> <p>Management to seek an amended proposal and make arrangements for the Board and ELT's Te Ao Māori training.</p>	<p>1/09/21</p> <p>1/09/21</p>
<p>Kate Antonievich departed the meeting at 4.05pm</p> <p>Privacy joined the meeting at 4.05pm</p>			
2.11	<p>Event Readiness Update and Exercise Parakatihi Findings</p> <p>The Board:</p> <p>a) noted that Exercise Parakatihi was undertaken by EQC in March 2021 and that a review of this exercise found that it achieved its objectives;</p> <p>b) noted the summary of the Exercise Parakitihi evaluation findings outlined in this paper;</p> <p>c) noted that the ELT has accepted the recommendations from the Exercise Parakitihi Debrief Report, and these are now being actioned;</p> <p>d) noted the Board's role in an event response; and</p> <p>e) noted the Event Readiness activity and key milestones, as part of next steps, over the 12 months ahead.</p>	<p>Management to arrange a session for Ruth Dyson and Alister James on event readiness.</p>	<p>13/10/21</p>

Josh Lindsay and Privacy departed the meeting at 4.13pm

Pip Andrews joined the meeting at 4.13pm

2.10	<p>OnSolds update</p> <p>The Board:</p> <p>a) noted progress and costs associated with the On-Sold programme as at 31 May 2021</p> <p>b) noted EQC is continuing to adapt its process to respond to delays with customer information and the supply of building materials; and</p> <p>c) Decisions in train</p>	<p>Decisions in train</p> <div style="background-color: grey; width: 100%; height: 100%;"></div>	28/07/21
<p>Pip Andrews left the meeting at 4.29pm</p>			
2.12	<p>PC&C Policies for Approval</p> <p>The Board:</p> <p>a) noted the updates made to the HSSW and Remuneration and Benefits Policies, and the Standards of integrity and Conduct, as outlined in this paper;</p> <p>b) Legally privileged</p> <p>c) noted that the People and Culture Board Committee has endorsed the updated HSSW and Remuneration and Benefits Policies and the Standards of Integrity and Conduct, for Board approval;</p> <p>d) approved the updated HSSW Policy, attached at Appendix A;</p> <p>e) approved the updated Remuneration and Benefits Policy, subject to amendments discussed; and</p> <p>f) approved the updated Standards of Integrity and Conduct subject to amendments discussed.</p>		
2.13	<p>Media Policy for Approval</p> <p>The Board:</p> <p>a) noted the proposed updated to the Media Policy; and</p> <p>b) approved the revised version of the Media Policy subject to amendments discussed.</p>		

Commissioner Emma Dobson departed the meeting at 4.37pm

Section 3	Performance and Reporting		
3.1	<p>EQC Performance Report to 31 May 2021</p> <p>The Board:</p> <p>a) noted that this paper complements the EQC’s Executive Dashboard to 31 May 2021 and provides qualitative commentary on performance to supplement the quantitative information shown in the dashboard;</p> <p>b) noted that the EQC’s Executive Dashboard to 31 May 2021 Commercially sensitive [REDACTED] will be published on EQC’s external website by 15 July 2021;</p> <p>c) noted the exceptions and potential/ realised issues outlined within the paper; and</p> <p>d) noted that the EQC’s Executive Dashboard is available for review in the Diligent Resource Centre.</p>	<p>Management to provide an overview of the complaints model under the IRM.</p> <p>Management to provide an update on re-opened Canterbury Claims.</p>	<p>1/09/21</p> <p>1/09/21</p>
Section 4	Financial and Risk		
4.1	<p>Financial Reporting – May 2021</p> <p>The Board:</p> <p>a) noted the accompanying May 2021 Financial pack;</p> <p>b) noted that the financial pack provides a view of the month’s financial results; and</p> <p>c) noted the following comments on the May financial performance:</p> <ul style="list-style-type: none"> i. reported Surplus is above forecast levels (\$4.9m); ii. net premium revenues were above forecast levels (\$1.0m); iii. net Claims expenses were \$4.3m below forecast, driven by lower BAU claim costs; iv. net Corporate Centre costs (BAU) were above forecast (\$0.4m). This is primarily due to timing of IRM costs (\$0.8m) that were planned in April, partly offset by lower GeoNet opex spend (\$0.3m). v. the YTD Reported Surplus (\$17.6m) is largely driven by lower net claims expenses (\$12.9m), 		

	<p>lower net corporate expenses (\$3.4m) and higher revenues (\$1.3m).</p> <p>vi. cash & investments held at 31 May were \$277m. The cash balance is expected to remain above \$200m through to 30 June 2021 with reinsurance premium payments and the annual Crown Guarantee premium due in June.</p>		
<p>4.2</p>	<p>DFA updates The Board:</p> <p>a) noted the ARC reviewed the findings of Deloitte’s review of the DFA framework and endorsed the recommendations for the Chief Executive to be able to approve DFA changes at tier 3 and below; move to a Tier based Framework for claims delegations; and for a consolidation of the number of expenditure types and levels.</p> <p>b) approved the following changes to the Delegations Framework General Principles:</p> <p>i. add a new general principle that states ‘The Chief Executive has the authority to approve changes to the Framework for Tier 3 and below in all areas’;</p> <p>ii. remove the column in the Framework that outlines the Board’s DFA; and</p> <p>iii. add a new general principle that states ‘If the Chief Executive has a dollar limit imposed then any amount over that limit must be presented to the Board for approval. If any uncertainty arises and/or it is not listed within this Framework, then it will require Board Approval’.</p> <p>c) approved the following changes to the Financial Delegations Framework:</p> <p>i. add a new delegation to authorise the approval of Insurer Response Model reimbursement invoices for the Chief Executive, the Chief Readiness Officer and the CFO Prevent improper gain/pressure and the Head of Partnerships Prevent improper gain/pressure and</p> <p>Emergency delegations during an event to provide named roles as contingency for the CEO and CFO;</p> <p>d) approved the following changes to the Claims Delegations Framework:</p> <p>i. change the Claims Delegations Framework to a tier-based structure;</p> <p>ii. change the limits in the Claims Delegation framework to be GST inclusive and increase the Tier 4 delegation to \$200,000 and Tier 5 to \$172,500; and</p>	<p>Management to ensure that delegations are a standing item on the Board agenda following an event.</p>	<p>1/09/21</p>

	<ul style="list-style-type: none"> iii. remove Non-EQC Staff delegation from the Claims Delegations Framework; and e) approved the following changes to the People Culture & Capability Delegations Framework: <ul style="list-style-type: none"> i. add a delegation to Authorise Leave Cash Up included in the People Culture & Capability Delegations Framework and this delegation be given to Tier 2 Managers and the Chief Executive; ii. merge two existing delegations relating to PC&C policies, rename it People Culture & Capability related policies and remove the delegation for Tier 2 Managers; and iii. remove Tier 3 managers from having the ability to approve changes in organisation structure affecting staff. 		
Section 5	Board Committee Updates		
5.1	<p>PCBC</p> <p>The Board:</p> <ul style="list-style-type: none"> a) noted the verbal update from the Committee Chair. 		
Section 6	Correspondence of Interest		
6.1	<p>Extension of the EQC Deficiency Funding Deed</p> <p>The Board:</p> <ul style="list-style-type: none"> a) noted the Extension of the EQC Deficiency Funding Deed. 		
6.2	<p>Letter from Minister on SOPE and SOI</p> <p>The Board:</p> <ul style="list-style-type: none"> a) noted the letter from Minister on SOPE and SOI. 		
6.3	<p>Government Workforce Policy Statement and Pay Guidance in the Public Sector</p> <p>The Board:</p> <ul style="list-style-type: none"> a) noted the Government Workforce Policy Statement and Pay Guidance in the Public Sector. 		
<p><i>Commissioners, Sid Miller, Tina Mitchell and Privacy left the meeting at</i></p> <p><i>The meeting closed at 4.56pm</i></p>			
	<p>The next meeting is to be held on July 28 2021.</p> <p>These minutes were approved by the Board as a true and correct record.</p>		

	<p>_____ <u>28 July 2021</u></p> <p>Mary Jane Daly Date</p> <p>Board Chair</p>		
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