

**Hon Grant Robertson**  
**Minister Responsible for the Earthquake Commission**

**Proactive Release – EQC’s changing role in a Natural Disaster Response and Recovery**

Date of issue: 3 September 2019

The following documents have been proactively released in accordance with Cabinet Office Circular CO (18) 4.

Document	Notes
Cabinet Paper <i>EQC’s changing role in a Natural Disaster Response and Recovery</i> Office of the Minister Responsible for the Earthquake Commission 7 August 2019	To be released in full
Cabinet minute <i>EQC’s changing role in a Natural Disaster Response and Recovery</i> Cabinet Office 7 August 2019	To be released in full

## **IN CONFIDENCE**

Office of the Minister Responsible for the Earthquake Commission  
Chair  
Cabinet Economic Development Committee

### **EQC'S CHANGING ROLE IN A NATURAL DISASTER RESPONSE AND RECOVERY**

#### **Proposal**

1. This paper provides an update on the development of the Earthquake Commission's (EQC') event response and recovery planning, including work that is currently underway with the insurance industry and other government agencies on a range of options to respond to natural hazard events. This paper should be read in parallel with "Property Insurance Markets: Update and Next Steps".

#### **Executive Summary**

2. EQC plays an important role in the wider insurance sector, and has learned and implemented many lessons from its response to recent natural hazard events, particularly the Canterbury earthquake sequence and the Kaikōura earthquake.
3. The EQC Board has identified that a significant transformation of EQC and its relationship with the wider insurance sector is required to support high quality customer service being delivered by EQC in response to natural disaster claims.
4. EQC is developing a fit-for-purpose future claims operating model that optimises its event management capacity and capability, and supports EQC's transformation to an organisation that convenes, mobilises and activates the insurance response.
5. This paper outlines EQC's role in responding to recent natural disaster events, the lessons learned from these responses, and how EQC is changing its approach in light of these lessons learned to ensure that it has a right sized in-house natural disaster event management capability with effective arrangements in place with the wider insurance sector to respond to natural disaster events.
6. Under this 'whole of industry' approach, EQC can optimise the way it administers insurance through the lodgement, assessment, and cash settlement phases for natural disaster events.
7. EQC has agreed the vision, objectives and principles to a future partnering agreement with the insurance sector, with the next step being to commence work to design and build capability requirements across various workstreams, with the aim of having in place a memorandum of understanding with the insurance sector that can be tailored to the specifics of an EQC natural disaster event response if deployed.

8. This paper also outlines how EQC is targeting opportunities to improve the information EQC could gather and share both before and after an event, and how this could inform and support the resilience, readiness, response, and recovery phases of emergency management.

## **Background**

9. The Civil Defence Emergency Management (CDEM) framework in New Zealand is an 'all hazards' framework which seeks to deliver emergency management through a '4R's approach' of reduction, readiness, response and recovery.
10. Within the CDEM framework, under the Recovery section, one of EQC's roles is to 'administer an insurance response'. That is, settle EQC insurance claims by cash or managed repair.
11. In February 2018, Independent Ministerial Advisor, Christine Stevenson was appointed to advise the then Minister Responsible for the Earthquake Commission, Hon Dr Megan Woods about opportunities to speed up the resolution of outstanding EQC insurance claims arising from the 2010/11 Canterbury earthquake sequence. The report was released on 6 June 2018 and made recommendations including:
  - a) Strengthening EQC's management of claims;
  - b) Focusing on its communication with claimants and its relationship with stakeholders;
  - c) Improving its data quality;
  - d) Increasing its flexibility to make sensible settlements and payments;
  - e) Addressing a number of policy and legislative issues which sit behind many of the current complex claims and anticipated future claims; and
  - f) Strengthening the monitoring arrangements and provide assurance to Government on the remaining claims processes.
12. EQC has actively implemented the recommendations, and continues to incorporate lessons learned through previous natural disaster events to improve its response to both current and future events. Additionally, the Public Inquiry into EQC, commenced in December 2018, will fully explore what additional lessons can be learned from EQC's response to recent natural disaster events. I expect that recommendations from the Public Inquiry will inform future legislative changes that could be made to enhance the EQC scheme.
13. The EQC Board has been involved in strategic discussions about where to next for EQC in light of identified lessons from the Canterbury earthquake sequence, Kaikōura and other events, and from the range of reviews that have been undertaken over the

past 10 years. The EQC Board considers a significant transformation of the agency and its relationship with the wider insurance sector is required in order to deliver high quality citizen-centric services by EQC in response to a natural disaster.

14. EQC cannot act alone in transforming itself. EQC needs to work alongside the private insurance sector and to see changes are progressed. EQC will also need central government to play a key role in ensuring that expectations for EQC's role and functions are clear. This will allow EQC to plan for and build capacity for those roles.
15. The recent amendments to the Earthquake Commission Act, 1993 (the Act) will simplify and speed up the claims process, and resolve issues with the Act that have previously been identified by the Ombudsman and the Canterbury Earthquakes Royal Commission. These changes include:

*In force on enactment of the Act*

- a) Enabling EQC to accept claim notifications for up to two years after a natural disaster, rather than the current three-month time limit for such notifications;
- b) Clarifying EQC's authority to share information to support the implementation of the Act and settlement of insurance claims and where this is in the public interest and safety;

*From 1 July 2019*

- c) Increasing the cap limit on EQC residential building cover to \$150,000 (plus GST); and
  - d) Removing EQC insurance cover for contents.
16. EQC continues to develop its role as a 'systems integrator' working to convene, mobilise and activate capability and capacity across the wider insurance sector and within other government agencies, and to remove duplication and inefficiency from the response and recovery process.
  17. Immediately prior to the Canterbury earthquakes the NDF held \$NZ6.1 billion. The costs of the Canterbury earthquake series and the 2016 Kaikōura earthquakes have fully exhausted the NDF and have led to the Government guarantee under section 16 of the EQC Act being called on for the first time. The current premium will significantly improve the NDF's chances of reaching EQC's reinsurance deductible over the next ten years. However, New Zealand is considered to be in a period of enhanced seismicity at present, so one or more future significant events could require EQC to turn to Crown funding again while the NDF is rebuilding.

## **Recent natural disaster event responses**

18. Since 2010, the insurance industry has responded to a wide range of events, most notably the Canterbury earthquake sequence, the Cook Strait earthquakes in 2013, the Kaikōura earthquake in 2016 and the Edgumbe flood in 2017.
19. The different nature and scale of these events has required a range of interventions by EQC to support recovery:
- a) In response to Canterbury earthquake sequence events:
    - Contributing to the social component of recovery through identification of those people in greatest need of assistance;
    - Conducting rapid initial assessments of all identified damaged residential property, including the uninsured;
    - Carrying out emergency repairs;
    - Assisting the Canterbury Earthquake Recovery Authority (CERA), established to lead the Government's response and recovery efforts;
    - Settlement of building claims through a managed repair programme;
    - Determining the settlement position for land damage caused by increased vulnerability to liquefaction and flooding;
    - Undertaking a ground improvement programme to identify feasible ground repair strategies;
    - Settling customers that meet criteria for unclaimed damage;
    - Installing clean heat appliances as an alternative to reinstating damaged fires and chimneys; and
    - Gathering and providing rich geotechnical data for the sector for use in their response and recovery activities.
  - b) In the Kaikōura earthquake event, establishing and leading an insurance agency response model that saw insurers act as EQC's agents to settle the majority of dwelling and contents claims resulting from the earthquake.
  - c) Following the Edgumbe flood event:
    - Performing silt and debris clean-up for insured and uninsured residential properties; and
    - Working with the council, as an interface between central and local government, to plan aspects of the response and recovery.
  - d) In some landslip events, EQC has managed an area-wide land repair to remediate land damage to customer properties.

## Lessons learned

20. There have been a number of lessons learned by EQC from its response to events, including:
- a) The need to tailor EQC's and the government's recovery approach as individual's needs vary widely in a natural disaster;
  - b) A response to a major natural disaster event goes beyond simply scaling EQC's capacity. The impact on a community is much broader, deeper, and longer requiring a greater coordination and scaling across all agencies and the insurance sector to ensure the best recovery outcomes; and
  - c) There are benefits to be gained in leveraging market infrastructure and capability and working with the private insurance sector to provide a more aligned insurance response for customers with residential property.
21. There is a Public Inquiry underway, being led by Dame Silvia Cartwright, to examine the role and work of EQC in the aftermath of recent natural disasters, and to learn lessons that can improve how EQC operates in future events. The Public Inquiry has a particular focus on the Canterbury earthquakes of 2010 and 2011, but will be addressing experiences right across New Zealand. That includes reviewing how EQC responded differently to events such as the Kaikōura earthquake in 2016, and what can be learned from those comparisons. The Public Inquiry is expected to report back by the end of March 2020, and will inform the next round of amendments to the Earthquake Commission Act 1993.
22. Without prejudging the outcomes of the Public Inquiry, EQC is currently working to identify and test solutions now that will ensure a better event response in the future. Some of the high level themes of focus include:
- a) Consider the impacts of multiple events;
  - b) Developing effective and efficient interactions both internally and externally with homeowners, the insurance sector and government;
  - c) Ensuring scalable systems and processes exist and testing the scalability of ideas;
  - d) Ensuring alignment of role expectations between EQC and other government agencies;
  - e) Pre-empting the challenges of the "tail" by designing (in advance of the event) solutions to close out the final claims;
  - f) Developing a range of response options and processes that recognise the diverse range of natural disaster events;
  - g) Improving audit, assurance and performance management functions;
  - h) Developing partnering, relationship and contract management capabilities;

- i) Improving capture and use of data and information before an event occurs to support a more informed response and more resilient homes; and
- j) Focusing on optimising internal capability to manage natural disaster event responses and the complex situations that may arise from natural disasters.

## The Agency Model

23. The Kaikōura earthquake event in 2016 was the second largest event in EQC's history after Canterbury earthquake sequence with 39,000 claims compared to around 460,000 claims in Canterbury. EQC used an insurer agency response model to deliver the claims management function across three quarters of customer claims. EQC retained responsibility for settling all claims which had a land damage component or where there was an existing open claim from the Cook Strait or Canterbury earthquakes.
24. Claimants were cash settled by the insurer for valid claims and EQC reimbursed the insurer for the EQC component of the claim. This approach allowed EQC to:
  - a) Provide a single channel for most customers to lodge for EQC's insurance and their private insurance policy;
  - b) Take a coordinated approach to claims assessment and settlement, removing the appearance of a two tier insurance model <sup>1</sup> for the customer, and avoiding duplication of effort such as assessment by EQC and insurers;
  - c) Use the available resources efficiently to deliver a coordinated insurance response for residential customers; and
  - d) Improve customer certainty with increased satisfaction results.
25. A recent review of the Kaikōura earthquake event undertaken for EQC by PriceWaterhouseCoopers highlighted:
  - a) EQC has a unique value proposition through the role it plays for the good of New Zealand in support of effective natural hazard risk management;
  - b) The response worked well in the circumstances and demonstrated insurer capacity to support a cash settlement response, and;
  - c) EQC should engage with the insurance sector and take advantage of existing infrastructure, capability and capacity to support the delivery of an EQC event response. This engagement would allow EQC to focus on embedding the core capabilities required to be a systems integrator that mobilises and activates the broader insurance response.

<sup>1</sup> EQC settles natural disaster damage under the Act up to a cap amount as a first loss insurer (Tier 1). Private insurers cover any losses over that cap (or outside EQCover) in accordance with the private insurance policy (Tier 2).

## Responding to natural disaster events today

26. EQC has made improvements to its capability to respond to natural disaster events including:
- a) Implementing a case management model;
  - b) Migrating data and claims to a newer version of its claims management system that better supports case management;
  - c) Developing the EQC claims management manual for use by in-house staff, insurers, and third party claims management service providers<sup>2</sup>;
  - d) Improving sector knowledge on complex damage from earthquakes and the resulting settlements;
  - e) Managing issues that have arisen from managed repairs;
  - f) Working with other agencies such as the Residential Advisory Service, the Greater Christchurch Claims Resolution Service, and Southern Response to resolve customer claims more efficiently;
  - g) Updating its Event Response Plan;
  - h) Optimising its Claims Operating Model, creating a centralised centre of excellence that best utilises the skills and experience of staff to create a streamlined customer experience;
  - i) Increasing immediate claims management capacity through the implementation of effective commercial agreements with third party claims management service providers and a Memorandum of Understanding (MOU) agreement with insurers; and
  - j) Shifting to a dispute resolution approach as an alternative to litigation.

## Capacity to respond

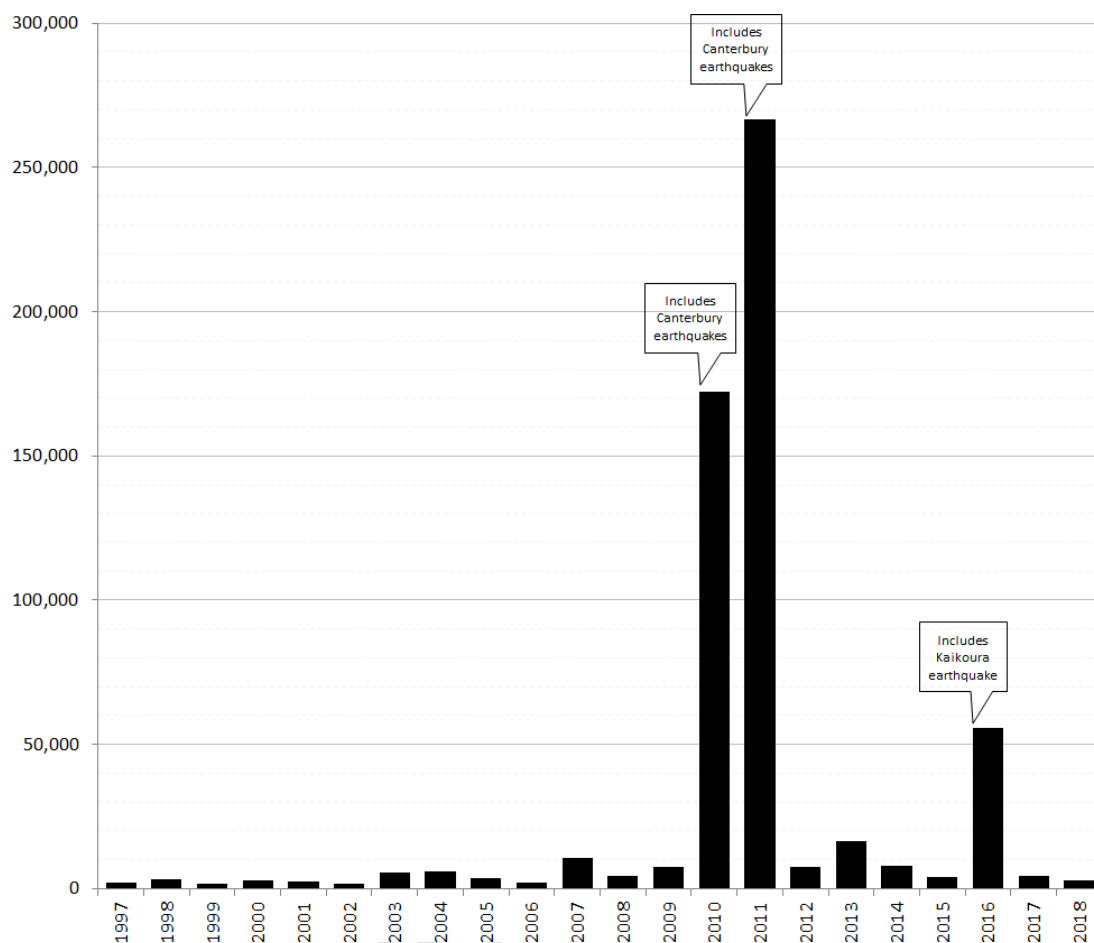
27. Of the claims received by EQC over the past two decades, 95% of claims have related to earthquakes events, 5% to landslip, storm, or floods and an insignificant number to other natural disaster types. Excluding claims from the Canterbury earthquakes and Kaikōura the split between earthquakes and landslip, storm, or floods is around 30% and 70% respectively. The figure below indicates the extreme annual variability in the number of customer claims received as a result of natural disaster events.

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<sup>2</sup> These are companies that are able to provide claims management services that cover the entire claim lifecycle: lodgement, validation, assessment, settlement, closure



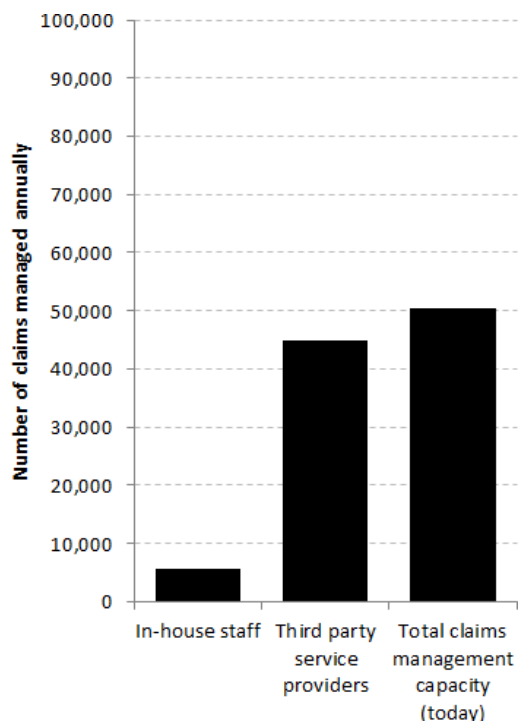
**Figure 1: Total claims lodged with EQC per year from 1997 to 2018**



28. Excluding single natural disaster events that affect more than 5,000 customers, EQC expects to receive around 3,600 claims annually: 2,500 per year on average for landslip, storm and floods, and 1,100 per year on average for (minor) earthquakes.
29. If a natural disaster event were to occur today, EQC has the internal resource capacity and capability to manage up to 5,000 claims per year from earthquake and landslip, storm and floods across its current Claims Operating Model. It is worth noting that while internal capacity will reduce as the Canterbury operations wind down, overall capacity is expected to increase through partnering arrangements with the insurance sector.
30. From this internal resource, EQC has a high capability to respond to the delivery and management of complex land and building claims.
31. EQC also has agreements in place with third party claims management service providers that could provide the capacity to manage approximately 45,000 claims annually if required.

32. Combined, this gives a current day capacity to manage approximately 50,000 claims.

**Figure 2: EQC claims management capacity (today)**



33. To add further capacity if required, EQC has an acknowledgement from insurers that should an event occur, an MOU could again be tailored to suit a response to the specifics of the event.

### **Scaling EQC's workforce – mobilising and activating a sector response**

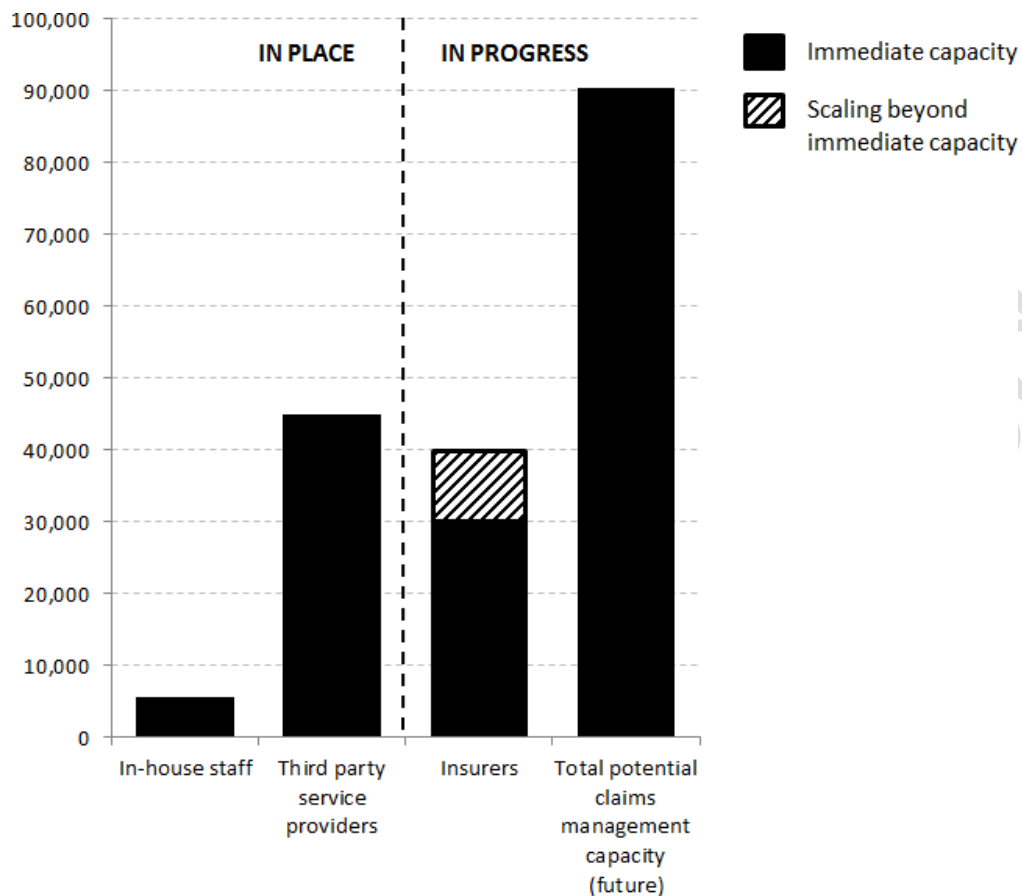
34. As shown in historical claim volume data, EQC has experienced very few events in the last two decades that have resulted in claim volumes exceeding 10,000 claims annually. Only six events between 1997 and 2018 resulted in claims volumes greater than 15,000. Five of these related to Canterbury earthquakes during 2010 and 2011 and the other was the Kaikōura earthquake in 2016.
35. The Kaikōura earthquake event represented an opportunity to pilot a different approach utilising capacity across the insurance industry whilst also addressing some of the other opportunities identified in the Review of the EQC Act, such as ensuring EQC and insurers work effectively together and with the customers' best interests in mind, and being able to lodge EQC claims with insurers.
36. EQC will continue to build on the momentum achieved through the Kaikōura earthquake response, and will advance work with the insurance sector to enable a

whole of industry response to future events. Insurers were enthusiastic participants in the review of the Kaikōura event, and I have had a number of meetings with insurers and the Insurance Council of New Zealand commenting positively on the agency model approach.

37. From a homeowner perspective, this whole of industry approach should address some of the delays and inefficiencies in settling claims that could arise when EQC and insurers operate independently of one another. It will also give EQC greater certainty about an increased EQC response capability given that insurers and third party claims management service providers have global experience dealing with many natural disaster events, not just earthquakes.
38. A benefit of the whole of industry approach is that it should allow EQC to improve its ability to deliver a quicker EQC response for larger events where arguably there is a greater impact from any delays to recovery. Additionally, EQC will ensure that it can manage the expected low annual claim volumes that it would typically receive for weather events and minor earthquakes. EQC would retain the experience and core capability for managing complex situations which has been developed through EQC's response to the Canterbury earthquake sequence whilst the future model is embedded and improved.
39. EQC is currently working with insurers on the principles and criteria to be followed when determining the most appropriate way for the sector to respond to a natural disaster event.
40. Under this approach, EQC can effectively administer insurance through the lodgement, assessment, and cash settlement phases for natural disaster events. It would see EQC transform to an organisation that primarily mobilises and activates the insurance response – a systems integrator role.
41. Transitioning to a systems integrator role for EQC's natural disaster event response would mean having a right sized in-house natural disaster event management capability with effective and contracted surge capacity options in place. This approach would allow EQC to:
  - a) Manage its expected annual claims volume;
  - b) Lead the EQC natural disaster event response;
  - c) Enable scalability for demand;
  - d) Provide significantly increased capacity before successful recovery outcomes would be threatened; and
  - e) Maintain an experienced internal capability with the appropriate mix of skillset to support broad natural disaster event management and the delivery of complex claims in an EQC response.

42. The goal of this approach is to ensure that insured property owners receive their insurance entitlements in a timely, fair and transparent manner. There will be a number of different phases to this work.
43. EQC has agreed the vision, objectives and principles to a partnering agreement with the insurance sector; the next step is to commence work to build capability required across various workstreams; and have in place a MOU with the insurance sector that can be tailored to the specifics of an EQC natural disaster event response if deployed.
44. EQC also intends to:
- a) Complete a co-designed enhanced EQC natural disaster event response model with the insurance sector;
  - b) Identify and make incremental enhancements to its readiness capability across a number of key areas;
  - c) Optimise its internal capability with the appropriate mix of experience and skillset to support the delivery of complex claims and management of EQC natural disaster event responses;
  - d) Negotiate partnering arrangements in support of an agreed EQC natural disaster event response capability with the insurance sector;
  - e) Roll out the plan to support the implementation of key changes across EQC and the insurance sector; and
  - f) Have a location strategy to increase EQC's organisational resilience.
45. With all of these things in place, it is conservatively estimated that EQC would have the capacity to settle around 90,000 claims annually.

**Figure 3: Sources of claims management capacity**



46. It is, however, recognised that a major natural disaster event could exceed this capacity. In that scenario, while EQC may have the capabilities in place, additional surge capacity would need to be implemented swiftly.

### **Supporting an all of government response and recovery to a major natural disaster event**

47. The response to, and ongoing recovery from, the Canterbury earthquakes has shown that following a major natural disaster event:
- a) Greater demands are placed on scarce resources;
  - b) The impact on individuals, families, and communities is generally greater across social, cultural, natural, built environments;
  - c) Organisations may be severely hindered or unable to carry out their expected functions;
  - d) There may be gaps in response and recovery efforts due to unanticipated events or consequences and that the Government may look to undertake activities to address these gaps; and

- e) The likelihood and impact of certain risks increase such as the increased risk of mental health issues due to increased stress.
48. One area that EQC is targeting is around opportunities to improve the information EQC could gather and share both before and after an event and how this could inform and support the resilience, readiness, response, and recovery phases of emergency management, including:
- a) Leveraging data on levies paid to insurers to better understand insurance penetration, ensuring Government has a clearer view on the insurance exposure and impact;
  - b) Understanding the demands for assessment of commercial property losses;
  - c) Modelling EQC insurance payments;
  - d) Richer citizen-centric information beyond what is required for administering insurance;
  - e) Capturing data to improve future modelling;
  - f) Provision of customer-tailored information regarding improving the resilience of their home;
  - g) Leveraging EQC's extensive land data; and
  - h) Supporting New Zealand commitments to report national disaster loss statistics against the United Nations Sendai Framework for Disaster Risk Reduction targets.
49. The agencies involved include the Treasury, the Ministry of Civil Defence & Emergency Management, the Ministry of Business, Innovation and Employment (MBIE), the Department of Internal Affairs, the Ministry of Housing and Urban Development, Land Information New Zealand and the Department of the Prime Minister and Cabinet, as well as the Insurance sector.
50. EQC will work with the Privacy Commissioner, other agencies, the insurance sector, and stakeholders to design a well-functioning and compliant data and information sharing framework. Quality assurance processes and controls will be developed to mitigate the risks associated with data and information capture, use (including sharing), and storage.
51. The Ministry of Civil Defence & Emergency Management (MCDEM) is working to establish a new All of Government Recovery Forum to oversee the development of cross-government arrangements for recovery. MCDEM intends to set up this group later in the 2019/2020 financial year. EQC will support the development of this AOG Recovery Forum.
52. I have encouraged EQC to work with MCDEM and other agencies, including Treasury, MBIE and the Department of the Prime Minister and Cabinet (DPMC), on the principles

and criteria to assist all of government decision making particularly in relation to recovery options following a major event. Accordingly, I would expect EQC officials to participate in the upcoming review of the National CDEM Plan.

53. EQC is developing much closer relationships with other agencies to develop its readiness capability and fulfil its role as a support agency following a major event.
54. In parallel with the work EQC is undertaking, Treasury has commenced a work programme to investigate issues of insurance market pricing and access and, if required, potential policy interventions.
55. One of the objectives of the Treasury work programme is to develop options for insurance market interventions to improve residential, commercial and multi-unit building insurance uptake and accessibility. EQC will work closely with Treasury to understand the impact of any potential policy interventions to EQC acting as a systems integrator.

### **Legislative implications**

56. There are no legislative implications from this paper. However, pending any relevant recommendations that arise from the Public Inquiry into EQC, it is anticipated that there will be further legislative reforms to the EQC Act. I anticipate that further changes to the EQC Act will likely be introduced in the next Parliamentary term.

### **Human Rights implications**

57. The proposals in this paper are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

### **Gender implications**

58. The recommendations in this paper will, as part of their purpose, support the rights of all New Zealanders and aim to improve the recovery experience of all New Zealanders in relation to EQC claims management.

### **Disability perspective**

59. The recommendations in this paper will, as part of their purpose, support the rights of all New Zealanders and aim to improve the recovery experience of all New Zealanders in relation to EQC claims management.

## **Regulatory Impact Assessment**

60. A Regulatory Impact Assessment is not required for the proposals in this paper.

## **Consultation**

61. This paper was prepared by EQC. The Treasury, MBIE, the Department of Internal Affairs, the Ministry of Housing and Urban Development, and the Ministry of Civil Defence & Emergency Management were consulted on this paper. The Department of the Prime Minister and Cabinet was informed about this paper.

## **Proactive release**

62. I propose that this paper be proactively released in its entirety within 30 business days of final decisions being taken by Cabinet.

Proactively released



## Recommendations

I recommend that the Economic Development Committee:

1. **note** that EQC is working to improve the EQC response to natural disaster events by transforming the EQC response model to one that mobilises and activates a broader insurance response.
2. **note** that this approach requires EQC to transform its internal capability as well as working with the insurance sector to provide a co-ordinated insurance response.
3. **note** that EQC estimates that there is market capacity to scale to manage a natural disaster event resulting in circa 90,000 claims, and that only the Canterbury events have exceeded this volume of claims since the formation of EQC in 1993.
4. **note** that a major natural disaster event could exceed this capacity. In that situation while EQC may have the capabilities in place, an additional EQC surge response option would need to be implemented swiftly.
5. **note** that there is a Public Inquiry underway to examine the role and work of EQC in the aftermath of recent natural disasters that is expected to report back by the end of March 2020 and its recommendations will inform the next round of legislative amendments to the Earthquake Commission Act 1993.
6. **note** that EQC acts as a support agency when responding to a major natural disaster event, providing comprehensive data on the built environment to support and inform a whole of government response, and managing the effective, efficient and empathetic settlement of claims.
7. **note** that officials from EQC will engage with all relevant government agencies to support the development of cross-government arrangements for recovery being led by MCDEM, including the potential for principles and criteria that may inform a system-led managed repair programme should it be required following a major natural disaster event.

Authorised for lodgement

Hon Grant Robertson

**Minster Responsible for the Earthquake Commission**



# Cabinet Economic Development Committee

## Minute of Decision

4

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### EQC's Changing Role in a Natural Disaster Response and Recovery

Portfolio                      Earthquake Commission

On 7 August 2019, the Cabinet Economic Development Committee:

- 1        **noted** that the Earthquake Commission (EQC) is working to improve the EQC response to natural disaster events by transforming the EQC response model to one that mobilises and activates a broader insurance response;
- 2        **noted** that this approach requires EQC to transform its internal capability as well as working with the insurance sector to provide a co-ordinated insurance response;
- 3        **noted** that EQC estimates that there is market capacity to scale to manage a natural disaster event resulting in circa 90,000 claims, and that only the Canterbury events have exceeded this volume of claims since the formation of EQC in 1993;
- 4        **noted** that:
  - 4.1        a major natural disaster event could exceed this capacity;
  - 4.2        in that situation, while EQC may have the capabilities in place, an additional EQC surge response option would need to be implemented swiftly;
- 5        **noted** that:
  - 5.1        there is a Public Inquiry underway to examine the role and work of EQC in the aftermath of recent natural disasters that is expected to report back by the end of March 2020 [APH-18-MIN-0196];
  - 5.2        its recommendations will inform the next round of legislative amendments to the Earthquake Commission Act 1993;
- 6        **noted** that EQC acts as a support agency when responding to a major natural disaster event, providing comprehensive data on the built environment to support and inform a whole-of-government response, and managing the effective, efficient and empathetic settlement of claims;

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- 7 noted that officials from EQC will engage with all relevant government agencies to support the development of cross-government arrangements for recovery being led by the Ministry of Civil Defence and Emergency Management, including the potential for principles and criteria that may inform a system-led managed repair programme should it be required following a major natural disaster event.



Janine Harvey  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Grant Robertson (Chair)  
Hon Phil Twyford  
Hon Dr Megan Woods  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Stuart Nash  
Hon Iain Lees-Galloway  
Hon Shane Jones  
Hon Kris Faafoi  
Hon Willie Jackson  
Hon James Shaw  
Hon Eugenie Sage

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV

**Hard-copy distribution:**

Minister Responsible for the Earthquake Commission

Proactive release