



Terms of Reference for the NZCRS Legal Advisory Group

July 2023

A. Background

1. On 29 August 2022, Cabinet agreed to the establishment of the New Zealand Claims Resolution Service (NZCRS) in response to a recommendation from the 2020 report of the Public Inquiry into the Earthquake Commission.
2. The NZCRS was established as a standing national mechanism to support homeowners with a Toka Tū Ake Earthquake Commission (Toka Tū Ake EQC) and/or private insurance claim against their residential property that has been damaged by any natural disaster event (a residential insurance claim), with no limit on the value of the claim.
3. These are the Terms of Reference (ToR) for the NZCRS Legal Advisory Group which has been established to support and assist the NZCRS Advisory Committee and the NZCRS Director in their roles to support homeowners as outlined above.

B. Objectives of the NZCRS

4. The objectives of the NZCRS are to:
 - a. support homeowners where required with a residential insurance claim;
 - b. assist homeowners to achieve fair, just, timely, and enduring resolution of their residential insurance claim; and
 - c. assist with the psychosocial recovery and support the wellbeing of the homeowner during the resolution of their residential insurance claim.
5. In addition, the broader aims of the NZCRS include contributing to consumer protection and education around residential insurance claims (including options for dispute resolution).

C. Principles of the NZCRS

6. The following five principles underpin the functioning of the NZCRS:
 - a. **Independent and fair:** Claims and disputes are managed and resolved in accordance with applicable law and natural justice. All claims resolution and dispute functions are, and are seen to be, carried out in an objective, fair, and unbiased way. The NZCRS is independent from Toka Tū Ake EQC and all insurance companies;
 - b. **Consumer-centricity:** The homeowner is at the centre of all aspects of the NZCRS service and will be supported by the NZCRS in the assessment, management, and resolution of their insurance claim. NZCRS is easy for homeowners to find, enter, and use, regardless of their capability and resources;
 - c. **Efficient and effective:** NZCRS processes are tailored to achieve the prompt and cost-effective settlement of outstanding insurance claims and disputes wherever reasonably possible. NZCRS provides value for money through appropriate, proportionate, and timely responses to issues;
 - d. **Wellbeing:** the successful resolution of an insurance claim includes the facilitation of the psychosocial recovery and wellbeing of the owner where necessary; and



- e. **Accountable:** subject to obligations around privacy and confidentiality, the NZCRS will be open with processes, decision making, and communication with homeowners and insurers, so as to instil public confidence in the service. Regular monitoring, assessment, and reporting will encourage ongoing improvement and better outcomes for homeowners.

D. Role of the NZCRS Legal Advisory Group

7. The NZCRS Legal Advisory Group will receive its work programme and direction from the NZCRS Advisory Committee and/or the NZCRS Director. The Director of the NZCRS may also ask the Chair of the Legal Advisory Group at any time to progress agreed initiatives to help improve the service delivery of the NZCRS.
8. The NZCRS Legal Advisory Group will be expected to report to the NZCRS Advisory Committee on progress against its work programme.
9. The NZCRS Legal Advisory Group is not a statutory board, has no legal standing, and is not a decision-making body. The Ministry of Business, Innovation and Employment (MBIE) is responsible for the oversight of the NZCRS, service performance and improvements, progress against objectives, and reporting to the Responsible Minister (Minister of Commerce and Consumer Affairs).

E. Meeting Frequency

10. The NZCRS Legal Advisory Group will meet quarterly. Out-of-cycle or more frequent meetings may be convened as required, depending on the nature, magnitude, or number of events the NZCRS is responding to at any given time.

F. Membership

11. The NZCRS Legal Advisory Group will be appointed by MBIE and will comprise, at a minimum, the NZCRS Director, a representative from Community Law, a representative from Crown Law, and two members of the legal profession, one of whom will be the Chair of the Legal Advisory Group.
12. The NZCRS Legal Advisory Group will elect a Deputy Chair by majority decision.
13. Each member will be appointed for two years, or shorter if circumstances dictate. Appointments can be renewed after the duration of two years.
14. The Chair of the NZCRS Legal Advisory Group will be a member of the NZCRS Advisory Committee.
15. The Chair of the NZCRS Advisory Committee may appoint or remove members from the Legal Advisory Group at their discretion.

G. Protocols

16. Members of the Legal Advisory Group agree that in dealing with each other they will at all times discuss matters in an open and collaborative manner, and work together constructively in the interests of homeowners and the NZCRS scheme.

H. Conflicts

17. The members of the Legal Advisory Group will disclose any real or potential conflict of interest to the other members of the group, and the Chair of the group will decide the best way to manage any such



conflict. If the conflict of interest relates to the Chair, the deputy Chair will decide the best way to manage the conflict.

I. Confidentiality

18. Members have a responsibility to treat all information with the appropriate confidentiality, which includes matters tabled or discussed at the Legal Advisory Group meetings, as well as any information provided, or any discussion that takes place, outside of these meetings.
19. Members may not represent the Legal Advisory Group or the NZCRS in the media without prior approval from the Chair of the NZCRS Advisory Committee and the Director of NZCRS. Members can share information that is not confidential through media channels if they choose, but this should be as individuals and not represented as the views of the group.

J. Administration

20. If the Chair is unable to attend a meeting, they will delegate responsibility to the Deputy Chair. If the Deputy Chair is not available, the Chair will delegate responsibility to another member.
21. A quorum will be half the number of members, plus the Chair.
22. The Chair is responsible for approving a written agenda at least two working days before the meeting.
23. Draft minutes of meetings will be circulated to all members within 10 working days of the meeting.
24. Minutes will be published on the NZCRS website within 20 working days of the meeting.
25. Secretariat support to the Legal Advisory Group will be provided by the NZCRS.
26. The ToR will be reviewed annually. Unforeseen issues may emerge, or the nature of events may change as NZCRS operations continue, such that the ToR may need updating to remain fit for purpose. This ToR can only be amended with a majority agreement of the NZCRS Legal Advisory Group.

K. Funding and Remuneration

27. MBIE will enter into separate remuneration agreements with each member as required.