

Dispute Resolution Scheme feedback form

Toka Tū Ake EQC (the Commission) is seeking feedback on a new, independent dispute resolution scheme for natural hazards insurance claims under the new Natural Hazards Insurance Act 2023 (NHI Act).

The scheme will support insured homeowners who wish to dispute the outcome of their natural hazard insurance claim. It will be available for disputes about claims for damage from natural hazard events that happen from 1 July 2024. Homeowners who dispute decisions about whether a claim for natural hazard damage is valid, or the extent of the settlement of the claim, will be able to raise their dispute through the dispute resolution scheme.

Please read through the consultation guidance for more information before answering these questions. We have also provided the draft protocols for mediation and adjudication, and the draft scheme rules if you would like to give specific feedback on these.

You can use this form to submit your feedback. There are 25 questions in total. You don't need to respond to all of them. The questions are set out as follows:

- Section 1: 7 questions about you
- Section 2: 1 question on the overall dispute resolution scheme process
- Sections 3: 12 questions on the requirements of the dispute resolution scheme
- Section 4: 3 questions on the draft scheme rules, adjudication protocol and mediation protocol
- Section 5: 2 questions, an opportunity to provide any additional feedback

Please note: we will not be responding to individual submissions. If you have any other questions or concerns, please visit our website or call the contact centre on 0800 326 243.

Submissions are public information

We may release any part of your feedback under the Official Information Act 1982 if someone requests it. Please consider this when filling out your submission.

We will hold and use any personal information you provide in line with the Privacy Act 2020. We will only use your information for the purpose of developing the dispute resolution scheme and related activities. You have the right to request access

to, or to correct, any personal information you provide. Please only share your own information or information that you have permission to share on someone else's behalf. We'll only contact you if you indicate that you want to be advised when the summary of feedback is available.

Section 1 - About you

Question 1:

What is your name?

Karen Billings-Jensen

Question 2:

Are you completing this form:

- As an individual? Please go to question 4.
- On behalf of an organisation? Please go to question 3.

Question 3:

If you are completing this form on behalf of an organisation, please provide the name of the organisation (and then go to question 6).

Age Concern New Zealand

Question 4:

If you are completing this form as an individual, do you have home insurance?

- Yes
- No

Question 5:

If you are completing this form as an individual, what region of New Zealand do you live in?

- | | | |
|--|---|--------------------------------------|
| <input type="checkbox"/> Northland | <input type="checkbox"/> Auckland | <input type="checkbox"/> Waikato |
| <input type="checkbox"/> Bay of Plenty | <input type="checkbox"/> Gisborne | <input type="checkbox"/> Hawke's Bay |
| <input type="checkbox"/> Taranaki | <input type="checkbox"/> Manawatū-Whanganui | <input type="checkbox"/> Wellington |
| <input type="checkbox"/> Tasman | <input type="checkbox"/> Nelson | <input type="checkbox"/> Marlborough |
| <input type="checkbox"/> West Coast | <input type="checkbox"/> Canterbury | <input type="checkbox"/> Otago |
| <input type="checkbox"/> Southland | <input type="checkbox"/> Other | |

Contact information (optional)

Question 6:

Would you like us to notify you when a written summary of consultation feedback on the dispute resolution scheme becomes available?

Yes

No

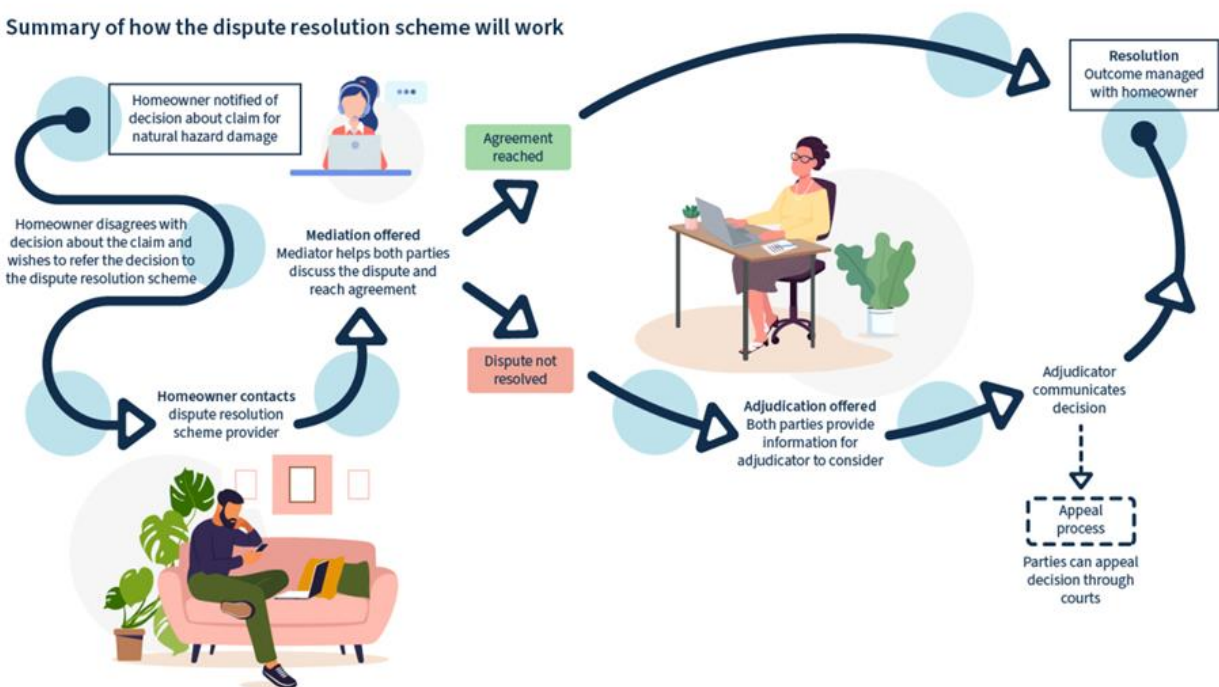
Question 7:

If you've said yes to the above, please enter your email address.

karen.billingsjensen@ageconcern.org.nz

Section 2 – the overall process

Summary of how the dispute resolution scheme will work



The overall process is described in the consultation guidance and in the above flow diagram.

Question 8:

What do you think of the dispute resolution process?

The dispute resolution process appears sound to us. There is a clear pathway and clear regular communication is required with all parties throughout the process. We are pleased to see an appeal process through the courts is available if any of the parties involved are unhappy with the adjudicator's decision. We agree with a timeframe of 90 days after the date the dispute is referred to the mediation process being built into the process. Lengthy processes with no defined end point place unreasonable additional pressure on homeowners.

One of the challenges will be how homeowners get to hear about the dispute resolution scheme and whether they have the confidence and resources to take a dispute to the scheme provider. The cost involved may be a deterrent despite the Commission being responsible for the costs of administering the Scheme itself. We are interested to know how low fixed income homeowners, including those living solely on New Zealand Superannuation, will be assisted to engage with the disputes process. The cost for legal representation would be prohibitive for many superannuitants and other low fixed income New Zealanders.

We are pleased that homeowners can take a support person with them to mediation and any meetings with the mediator, adjudicator or the Commission. This will be especially important for some older people, people with disabilities and those for whom English is a second language. Having a support person will help many homeowners to deal with a process that is unfamiliar and formal

Section 3 – the scheme

Fair Way Resolution (Fair Way) has been selected as the preferred provider to deliver the dispute resolution scheme, subject to contractual agreement and Board approval. Fair Way has more than 20 years' experience in providing dispute resolution services.

The NHI Act requires the dispute resolution scheme to be:

- accessible
- independent and fair
- efficient and effective
- accountable

Below we have set out how the scheme will reflect these principles. Please read through the information and consider the questions.

Accessible – this means it will be easy for homeowners to find and use the external scheme.

For example:

- The Commission (or our agent) will tell a homeowner when and how a decision can be disputed through the scheme.
- The Commission is responsible for bearing the costs of administering the scheme.
- Homeowners will not be charged for using the scheme, but may incur some costs they'll have to cover, for example the cost of a builder or estimator's advice. The Commission can be ordered to cover some of the homeowner's costs.
- A homeowner's circumstances or needs will be taken into account and provided for as appropriate, for example through language interpreters, and disability or wellbeing support.

Question 9:

Do you think these factors make the scheme accessible?

- Yes
 No
 I am unsure

Question 10:

Please tell us why you gave that answer

Overall, we consider these factors will help make the scheme accessible and are pleased to see homeowners circumstances and needs transparently acknowledged. For example, whether interpreters, or disability and wellbeing support are required. We have some concerns that language, financial and ability barriers may still prevent a homeowner from making use of the scheme and would like to know how homeowners will be encouraged and supported to take up the option of mediation or adjudication.

We are pleased that Fair Way Resolution has been selected as the preferred scheme provider. Fair Way is an independent, trusted and highly experienced organisation that provide services throughout the country. We understand they also provide an independent dispute resolution service for whānau and housing providers in regard to transitional housing.

Question 11:

Do you have any other suggestions about ensuring the scheme is accessible?

Having information about the scheme available in different languages, including te reo, and in accessible formats will help to make the scheme accessible to more people. Monitoring trends about

which population groups access the scheme, and which do not, will provide important information on how accessible the scheme is and what may need to be adjusted to broaden its accessibility.

Independent and fair – this means the external scheme will be able to support resolution in an unbiased way.

For example:

- Independent mediators will help the parties reach agreement, and qualified adjudicators will make decisions based on the information provided and relevant law.
- Assistance will be offered to both parties. For example, the scheme will ensure homeowners understand what to expect from the process, what they need to do and timeframes.

Question 12:

Do you think these factors make the scheme independent and fair?

- Yes
 No
 I am unsure

Question 13:

Please tell us why you gave that answer.

We are pleased that an independent and experienced provider has been selected. Independent mediators will help the scheme to be seen as objective and impartial. The decisions made by the adjudicators may not always be pleasing to the parties involved but hopefully they feel they have been heard and been treated respectfully. It is important that all homeowners, including older homeowners, are treated with dignity and respect. There may need to be more time invested when dealing with some homeowners to ensure they understand the process and any decisions made

Question 14:

Do you have any other suggestions about ensuring the scheme is independent and fair?

Implementing a monitoring system for the disputes being taken to the provider, along with analysing feedback from homeowners, the Commission and the provider will help to determine perceptions of the independence and fairness of the disputes scheme.

Efficient and effective – this means the external scheme will support quality decisions and timely resolution.

For example:

- The scheme provider is experienced in providing dispute resolution services and is focused on efficiency and effectiveness.
- The scheme provider will be able to respond to disputes in a timely way. The scheme provider will communicate expected timeframes to homeowners.
- Mediators and adjudicators will have accreditation from a professional dispute resolution organisation. Mediators and adjudicators will also have experience relevant to the dispute.
- Any dispute regarding private insurance cover, linked to the natural hazard insurance claim, may be included in the resolution of the dispute.

Question 15:

Do you think these factors make the scheme efficient and effective?

- Yes
 No
 I am unsure

Question 16:

Please tell us why you gave that answer.

We are satisfied that the provisions listed have the potential to contribute to the scheme being efficient and effective.

Question 17:

Do you have any other suggestions about ensuring the scheme is efficient and effective?

On-going professional development and accreditation for mediators and adjudicators will help to maintain a high standard. Any scheme such as this is dependent on the skills, knowledge and experience of personnel along with the quality of their multiple interactions with the public. A commitment to on-going learning and quality improvement will be key

Accountable – this means the external scheme will be monitored for quality.

For example:

- The scheme provider will be required to provide regular reports and the dispute resolution scheme will undergo periodic independent review.
- The scheme provider will collect information for monitoring purposes and to improve the scheme's performance.
- Anonymised summaries of cases will be published online.

Question 18:

Do you think these factors make the scheme accountable?

- Yes
 No
 I am unsure

Question 19:

Please tell us why you gave that answer.

Monitoring and analysis are essential for determining how to improve and build on a programme's effectiveness. We are pleased to see that anonymised summaries of cases will be published online as this will contribute to transparency and accountability. It should also contribute to the visibility of the disputes scheme and build confidence amongst the public.

Question 20:

Do you have any other suggestions about ensuring the scheme is accountable?

Not at this stage.

Section 4 – draft scheme rules and mediation and adjudication protocols

The expectations and processes are described in more detail in the:

- draft scheme rules
- draft mediation protocol, and
- draft adjudication protocol

We invite you to read them to get a more detailed understanding of the scheme.

Question 21:

Do you have any feedback on the draft scheme rules?

We have no comments to make on the questions in section 4, we consider there are other organisations and individuals better placed to provide input on this topic.

Question 22:

Do you have any feedback on the draft mediation protocol?

Click or tap here to enter text.

Question 23:

Do you have any feedback on the draft adjudication protocol?

Click or tap here to enter text.

Section 5 – general questions

Question 24:

Do you have any suggestions on how the scheme (including the processes or anything contained in the supporting documents) could be improved?

Not at this stage.

Question 25:

Do you have any other thoughts or feedback that you would like us to consider?

We are interested to know if there is any provision for family, or an appointed person, to continue the dispute process when the homeowner becomes seriously unwell and an enduring power of attorney is enacted, or the homeowner dies and their estate continues with the process..

All done! Thank you for taking the time to give us your feedback on the dispute resolution scheme.