

S O U T H E R N
R E S P O N S E

Urupare ki te Tonga



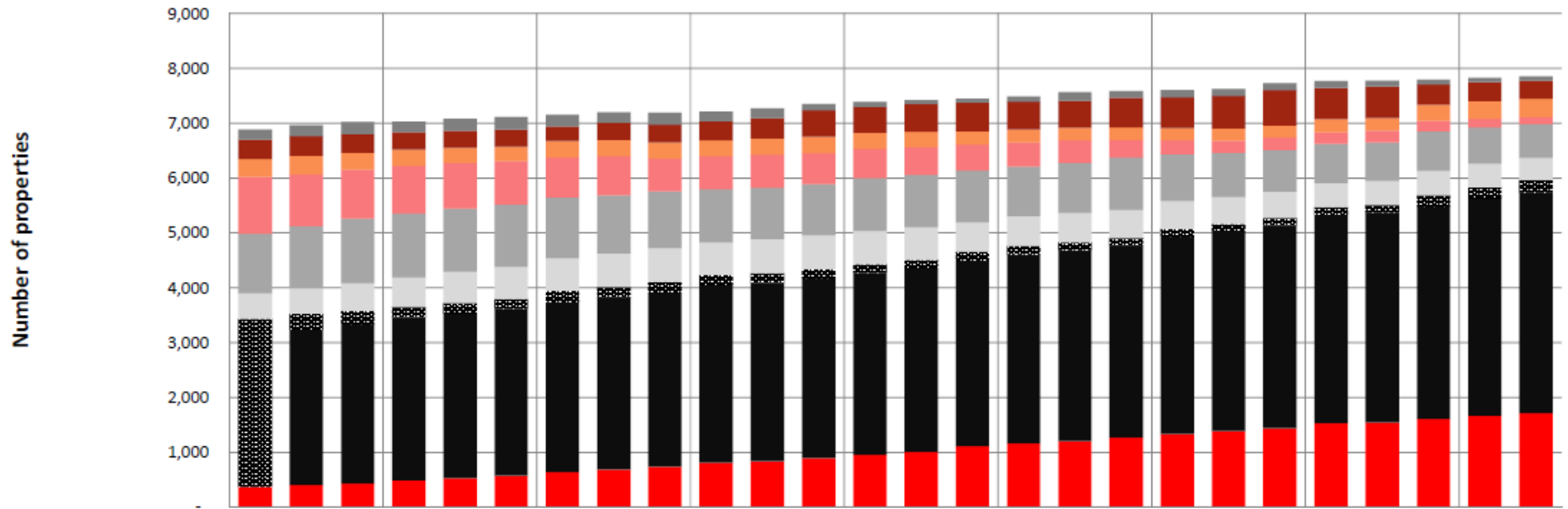
Progress to the end of April 2016

Over cap claims: Detailed analysis

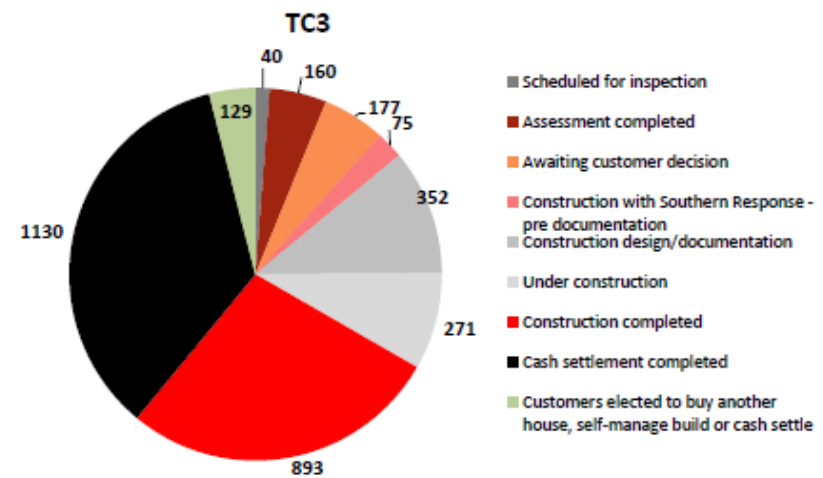
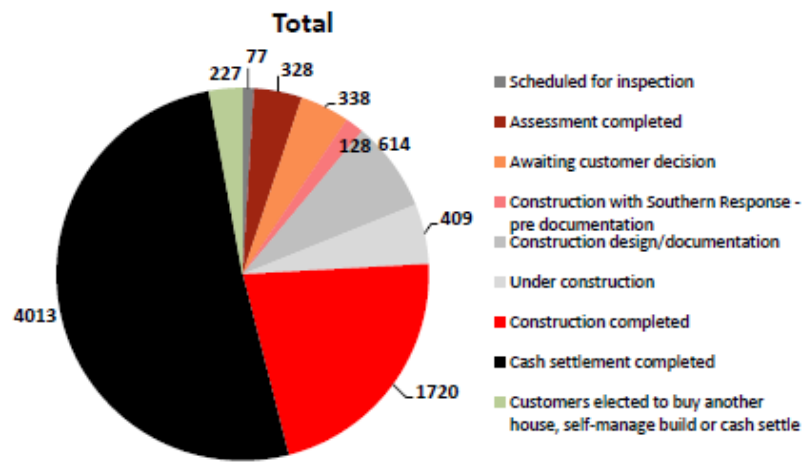
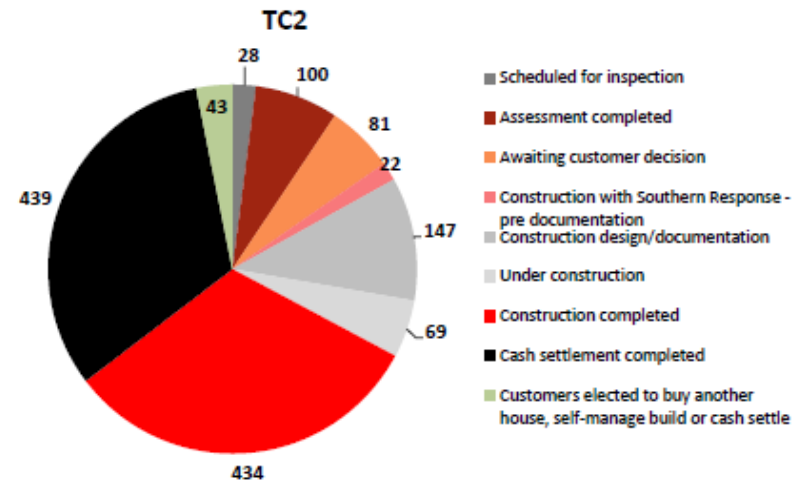
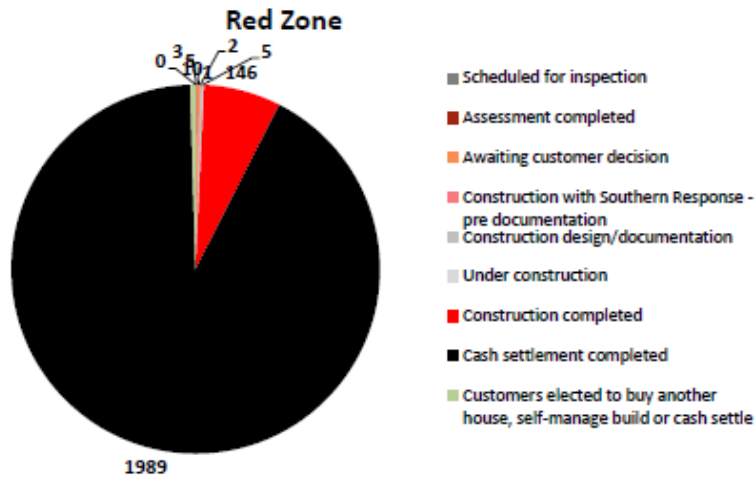
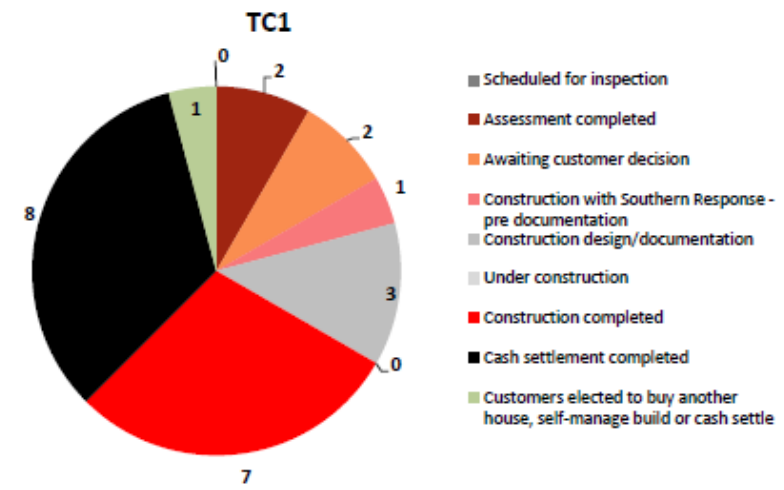
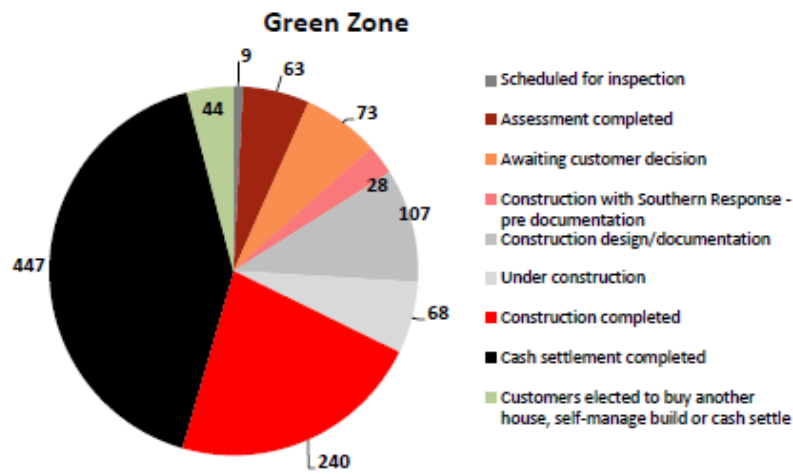
Status Breakdown	Settlements Complete		In Progress	
Totals (at 30th April 2016)	5,733		1,378	
	Purchasing another house	1,830	Cash settlements in progress	227
			In design	
	Cash settlement	1,686	<i>Site considerations being reviewed, geotechnical, engineers, planning, design underway</i>	742
	Customer managed rebuild Southern Response construction complete (rebuids and repairs)	497		
		1,720	Under construction	
			<i>Construction contract signed, consent issued</i>	409
	<i>Subtotal rebuids & repairs</i>	2,217		

Southern Response progress to end of april 2016	Green Zone ¹		Red Zone		TC1		TC2		TC3		Total		Movement from Last Month	Commentary
	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed		
Notified to Southern Response	1,079	100%	2,161	100%	24	100%	1,363	100%	3,227	100%	7,854	100%	30	The number of claims Notified to Southern Response can increase or decrease as claims are determined as being over or under the EQC cap. More claims going under cap during the month than new claims notified results in a negative number of claims.
% of overall claims	14%		28%		0%		17%		41%		100%			
Assessments & Costings	1,070	99%	2,161	100%	24	100%	1,335	98%	3,187	99%	7,777	99%	27	Southern Response's approach has been to deal with assessments generally before moving to builds and hence the vast majority of assessments have been completed. This shows the percentage of over cap claims that have a completed assessment and costing. The number can reduce when properties that have been inspected later go under the EQC cap.
Offers to customers	1,007	93%	2,158	100%	22	92%	1,235	91%	3,027	94%	7,449	95%	48	The gap between the Assessments & Costings being completed and Offers to customers can be due to the DRA (detailed rebuild/repair analysis) being withdrawn for review or may be due to the time taken to prepare the offer to the customer. This percentage of over cap claims that have had an offer presented is shown as a percentage of over cap claims. Claims going under cap and customers electing to self manage their build can result in negative movement from the previous month.
Customer decisions made:	934	87%	2,153	100%	20	83%	1,154	85%	2,850	88%	7,111	91%	32	The gap between the Offers to customers and the Customer decisions made is an area of concern and one that Southern Response is addressing. This shows the percentage of over cap claims where the customer has made a decision.
1. Buy another house	182	17%	1,176	54%	1	4%	96	7%	398	12%	1,853	24%	6	Customers have elected to buy another house and supplied a sale and purchase agreement. The percentage of claims in this category is shown as a percentage of all over cap claims.
2. Cash settlement	257	24%	578	27%	8	33%	309	23%	678	21%	1,830	23%	67	Customers have elected to cash settle as policy option IV - Market Value. The percentage of claims in this category is shown as a percentage of all over cap claims.
3. Customer managed rebuild	52	5%	245	11%	-	0%	77	6%	183	6%	557	7%	2	Customers have elected to build another house without the involvement of Southern Response and have supplied a building contract. The percentage of claims in this category is shown as a percentage of all over cap claims.
4. Building with Southern Response	443	41%	154	7%	11	46%	672	49%	1,591	49%	2,871	37%	- 43	Customers who have elected to build with Southern Response. The percentage of claims in this category is shown as a percentage of all over cap claims. This number can go down if customers decide to cash settle during the design process. This month has seen a larger movement than usual, due to a number of factors. These include some customers changing to cash settlement, some repairs changing to rebuilds, and in some cases, more information being required (for example, engineering reports) before a customer can make a final decision that is best for them.
														Movement from Last Month of customers who were in or completed this stage
Design/documentation - Rebuilds	51	12%	4	3%	-	0%	55	8%	183	12%	293	10%	4	Customers who have elected to rebuild with Southern Response and are currently in the documentation process. The percentage of claims at this stage is shown as a percentage of Building with Southern Response claims. The number of properties in documentation can reduce when some customers who had chosen to rebuild with Southern response later decide to cash settle or when more properties complete design/documentation than enter this stage.
Design/documentation - Repairs	56	13%	1	1%	3	27%	92	14%	169	11%	321	11%	- 21	Customers who have elected to repair with Southern Response and are currently in the documentation process. The percentage of claims at this stage is shown as a percentage of Building with Southern Response claims.
Under construction - Rebuilds	37	8%	1	1%	-	0%	38	6%	217	14%	293	10%	21	Rebuild properties now under construction. The percentage of claims at this stage is shown as a percentage of Building with Southern Response claims.
Under construction - Repairs	31	7%	-	0%	-	0%	31	5%	54	3%	116	4%	4	Repair properties now under construction. The percentage of claims at this stage is shown as a percentage of Building with Southern Response claims.
														Movement from last month
Construction completed - Rebuilds	76	17%	146	95%	2	18%	226	34%	636	40%	1,086	38%	35	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	164	37%	-	0%	5	45%	208	31%	257	16%	634	22%	15	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	240	54%	146	95%	7	64%	434	65%	893	56%	1,720	60%	50	Rebuild and repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Fully settled claims	687	64%	2,135	99%	15	63%	873	64%	2,023	63%	5,733	73%	110	Fully settled claims are the sum of Cash settlements paid out and Southern Response-managed builds where construction is complete. The percentage of claims at this Fully settled claims stage is shown as a percentage of all over cap claims. Multi-unit builds and repairs managed by Southern Response on behalf of other insurers are not, and will not be, included in Southern Response's statistics.

Status of properties over the past two years



	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16
■ Scheduled for inspection	186	191	227	184	218	232	209	189	215	174	180	105	85	70	71	95	155	115	135	122	126	117	106	81	74	77
■ Assessment completed	351	360	337	326	316	316	266	311	329	346	373	484	474	503	524	509	486	544	561	596	649	575	576	371	349	328
■ Awaiting customer decision	328	339	307	294	274	258	298	295	293	294	300	307	293	283	240	236	230	228	223	224	219	243	228	299	322	338
■ Construction with Southern Response - pre documentation	1,031	945	888	866	834	792	731	715	597	598	601	562	530	504	469	436	415	323	256	226	226	208	217	185	154	128
■ Construction design/documentation	1,091	1,127	1,182	1,167	1,147	1,136	1,102	1,062	1,031	965	935	928	965	954	947	903	908	956	849	800	761	715	696	723	656	614
■ Under construction	459	471	505	540	572	583	599	609	618	603	621	618	603	595	535	543	538	510	513	495	479	442	442	444	434	409
▨ Customers elected to buy another house, self-manage build or cash settle	3,066	287	235	192	194	177	210	193	192	184	174	164	158	152	166	156	140	139	137	124	129	131	136	201	212	227
■ Cash settlement completed		2,829	2,906	2,966	2,996	3,042	3,090	3,135	3,179	3,231	3,253	3,279	3,315	3,348	3,383	3,443	3,479	3,501	3,596	3,649	3,698	3,801	3,826	3,873	3,953	4,013
■ Construction completed	376	412	437	493	533	582	648	691	739	819	841	901	965	1,011	1,112	1,167	1,212	1,270	1,338	1,390	1,446	1,536	1,551	1,615	1,670	1,720



Out of scope claims

Some of these out of scope properties have multiple claims and/or multiple workstreams such as fences, driveways and swimming pools. In some cases, a partial cash payment may have been completed, or construction carried out, but until all workstreams and claims associated with the property are fully settled, the properties are recorded as being in progress.

Out of Scope properties as at 30 April 2016	
Fully settled properties	21,089
In progress	441
Properties to still be assessed	189
Total out of scope properties	21,719

