

**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 August 2014

Over cap claims: Summary

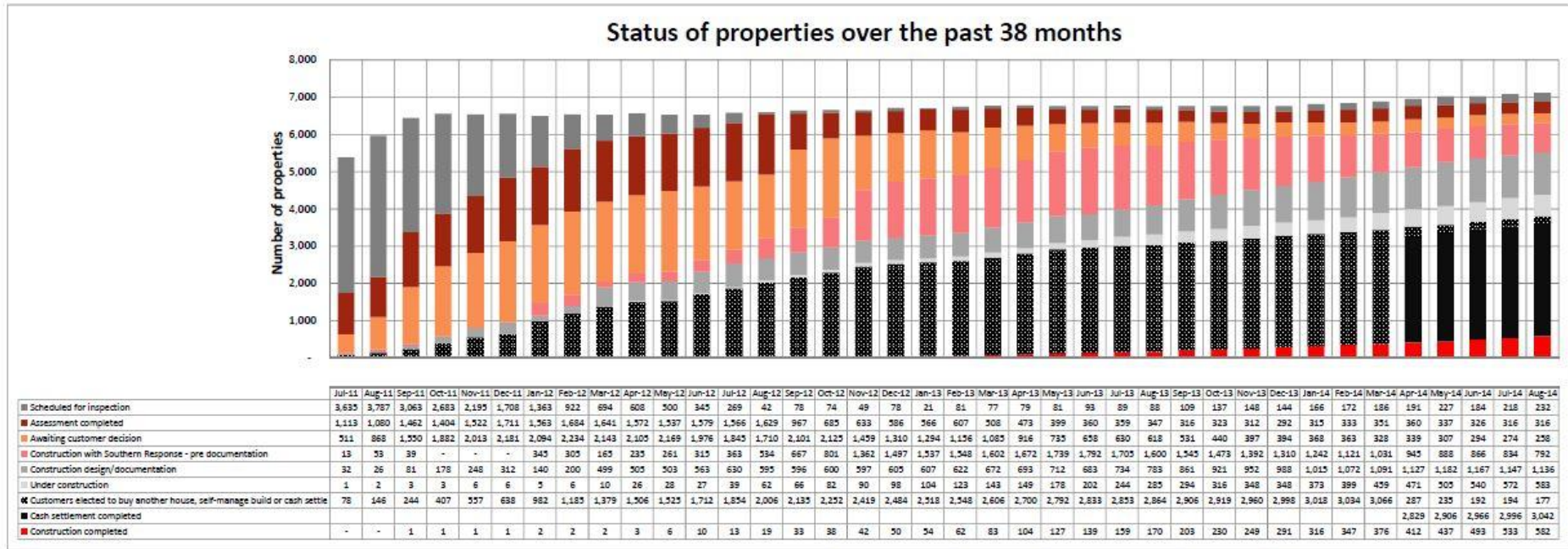
Status Breakdown	Settlements Complete		In Progress		Forecast Construction Starts For 2014	
Totals <i>(at 31st August 2014)</i>	3,624		2,688		1,090	
	Purchasing another house	1,596	Cash settlements in In design <i>Site considerations being reviewed, geotechnical, engineers, planning,</i>	177	SR managed repairs	630
	Cash settlement	1022		1928	SR managed rebuilds	460
	Customer managed rebuild	424				
	Southern Response construction complete (rebuilds and repairs)	582	Under construction <i>Construction contract signed, consent issued</i>	583		
	<i>Subtotal rebuilds & repairs</i>	1006				

Over cap claims: Detailed analysis

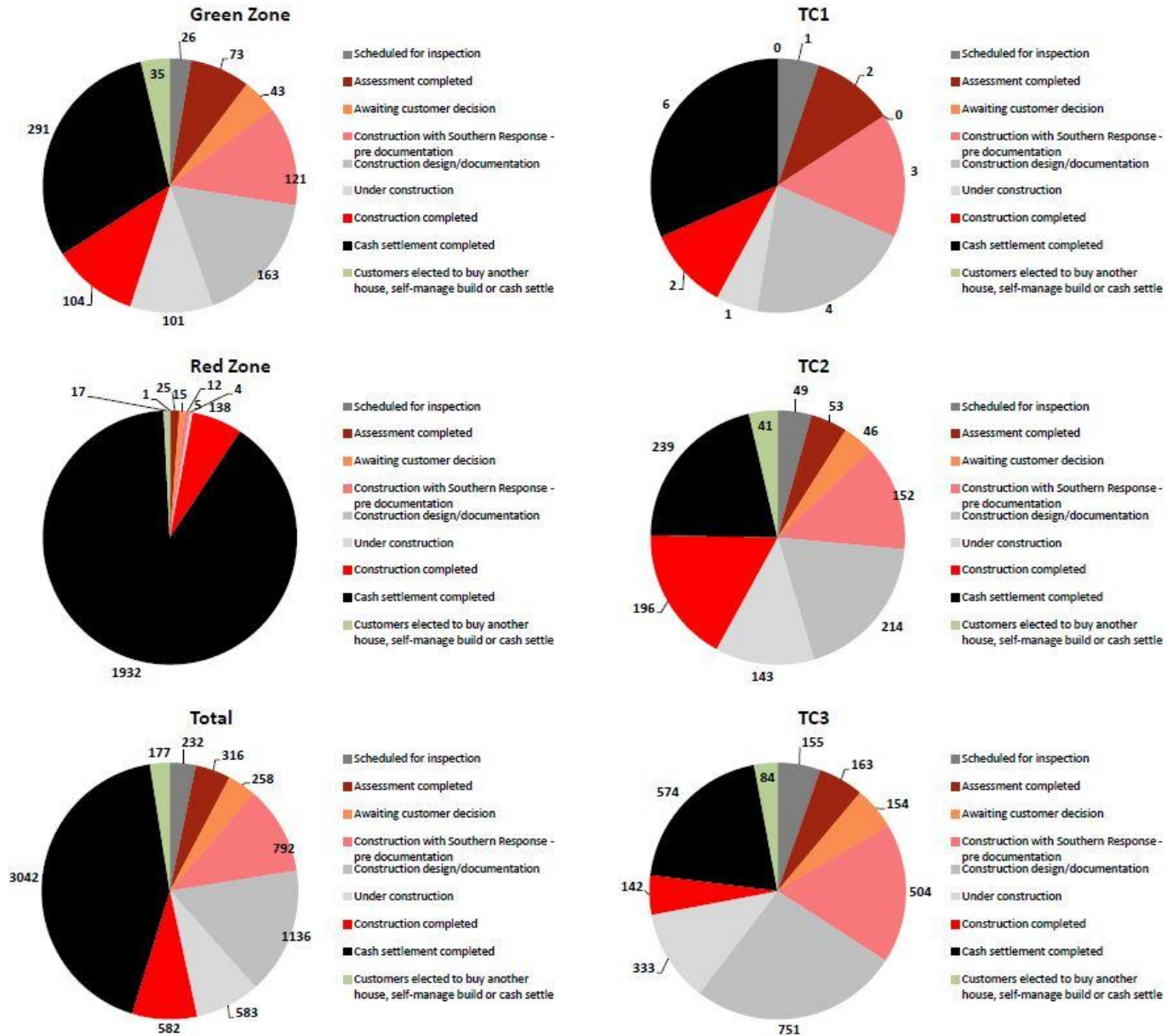
Analysis by zone

Southern Response progress to end of August 2014	Green Zone		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	957	100%	2,149	100%	19	100%	1,133	100%	2,860	100%	7,118	100%	34	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	13%		30%		0%		16%		40%		100%			
Assessments & Costings	931	97%	2,148	100%	18	95%	1,084	96%	2,705	95%	6,886	97%	20	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	858	90%	2,123	99%	16	84%	1,031	91%	2,542	89%	6,570	92%	20	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& Costings being completed and Offers to customers can be due to the DRA (detailed rebuild/repair analysis) being withdrawn for review or may be due to the time taken to prepare the offer to the customer.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:	815	85%	2,108	98%	16	84%	985	87%	2,388	83%	6,312	89%	36	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	156	16%	1,164	54%	1	5%	76	7%	292	10%	1,689	24%	8	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	136	14%	544	25%	5	26%	154	14%	267	9%	1,106	16%	17	Customers have elected to cash settle as policy option N - Market Value. The percentage of claims in this category is shown as a percentage of all over cap claims.
3. Customer managed rebuild	34	4%	241	11%	-	0%	50	4%	99	3%	424	6%	4	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	489	51%	159	7%	10	53%	705	62%	1,730	60%	3,093	43%	7	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.
														Movement from Last Month of customers who were in or completed this stage
Design/documentation - Rebuilds	55	11%	4	3%	2	20%	74	10%	382	22%	517	17%	35	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	108	22%	-	0%	2	20%	140	20%	369	21%	619	20%	14	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	44	9%	5	3%	-	0%	78	11%	252	15%	379	12%	31	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	57	12%	-	0%	1	10%	65	9%	81	5%	204	7%	29	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	31	6%	138	87%	-	0%	98	14%	72	4%	339	11%	29	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	73	15%	-	0%	2	20%	98	14%	70	4%	243	8%	25	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	104	21%	138	87%	2	20%	196	28%	142	8%	582	19%	54	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	395	41%	2,070	96%	8	42%	435	38%	716	25%	3,624	51%	100	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.

Over cap claims: Detailed analysis



Over cap claims: Detailed analysis



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 31st August 2014	
Properties assessed	19,771
properties to still be assessed	1,964
Total out of scope properties	<u>21,735</u>
Properties completed that didn't involve SR construction	9,375
Properties completed that did involve SR construction	6,238
Fully settled properties	<u>15,613</u>
In progress	4,158
Properties to still be assessed	1,964
Total out of scope properties	<u>21,735</u>

