

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

Urupare ki te Tonga



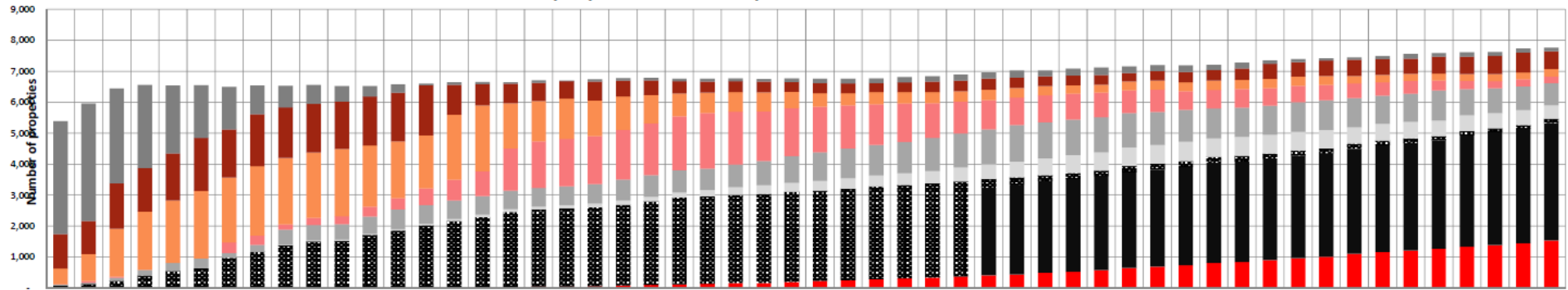
Progress to the end of December 2015

Over cap claims: Detailed analysis

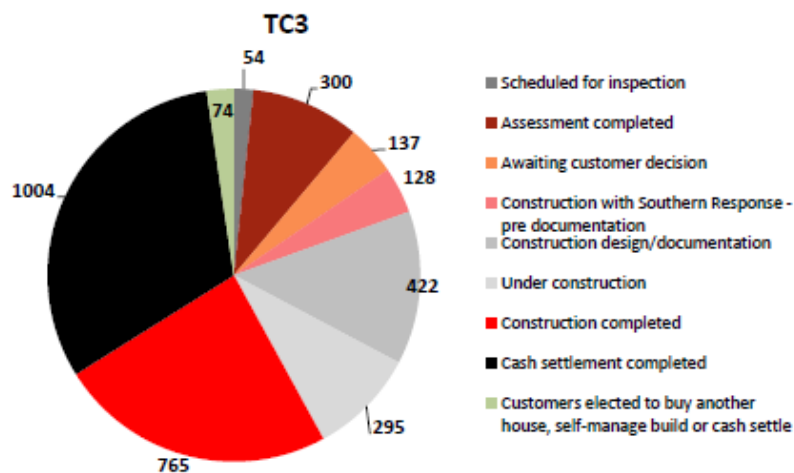
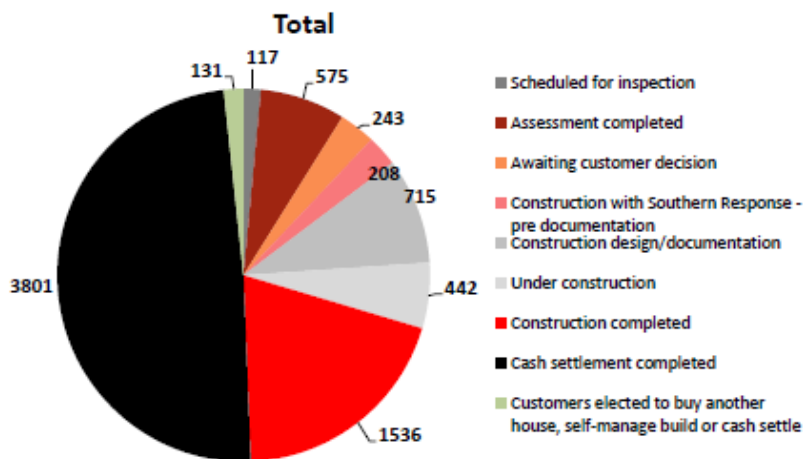
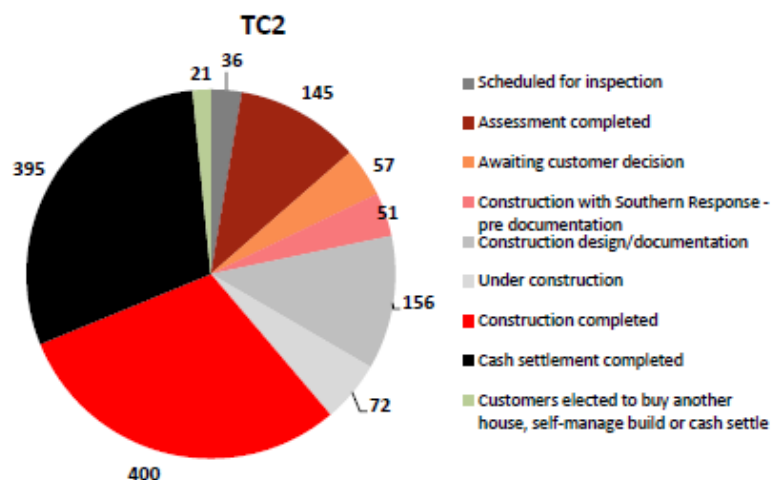
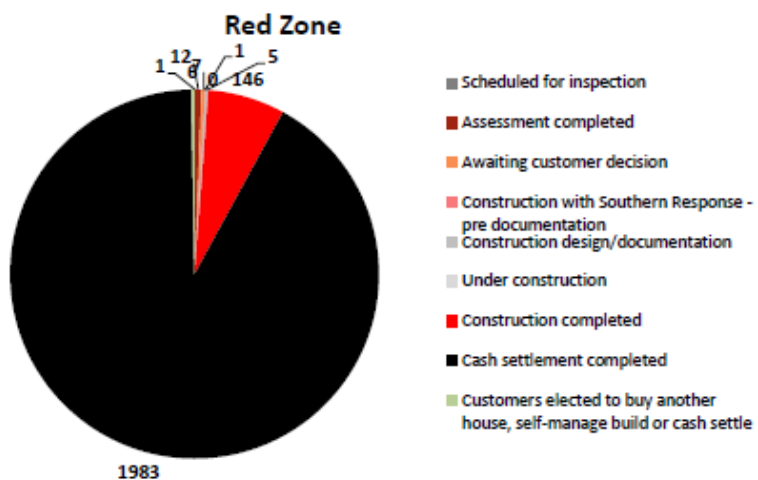
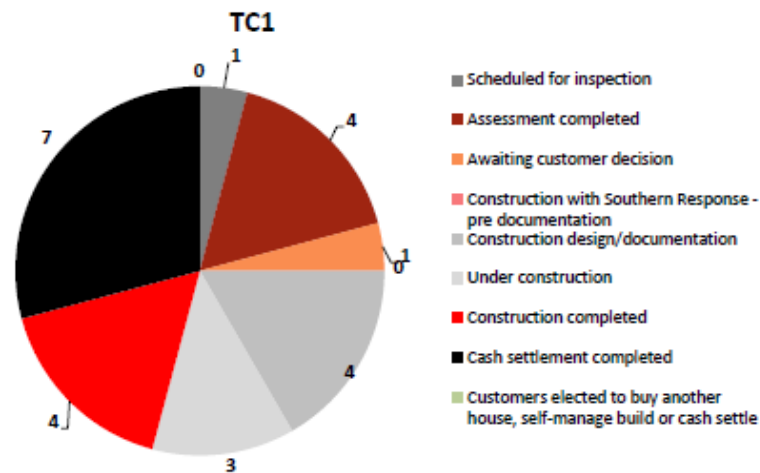
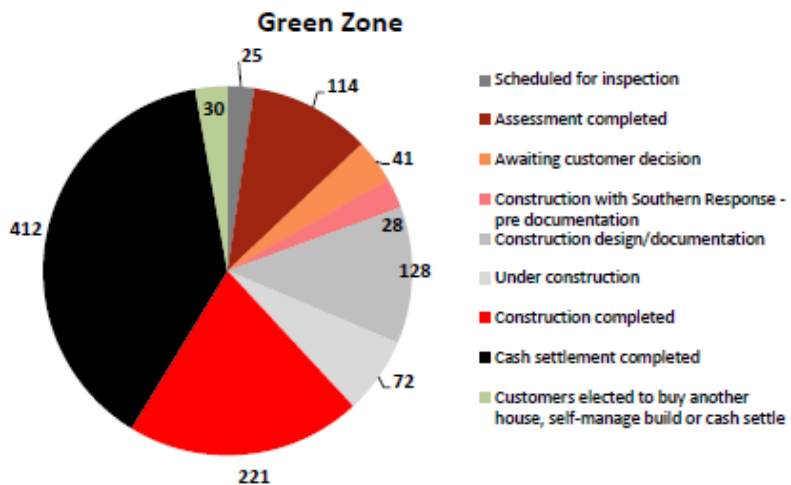
Status Breakdown	Settlements Complete		In Progress	
Totals <i>(at 31st December 2015)</i>	5,337		1,496	
	Purchasing another house	1,793	Cash settlements in progress	131
	Cash settlement	1,528	In design <i>Site considerations being reviewed, geotechnical, engineers, planning, design underway</i>	923
	Customer managed rebuild	480		
	Southern Response construction complete (rebuilt and repairs)	1,536	Under construction <i>Construction contract signed, consent issued</i>	442
	<i>Subtotal rebuilds & repairs</i>	2,016		

Southern Response progress to end of December 2015	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	1,071	100%	2,161	100%	24	100%	1,333	100%	3,179	100%	7,768	100%	35	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	1,046	98%	2,160	100%	23	96%	1,297	97%	3,125	98%	7,651	98%	44	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	932	87%	2,148	99%	19	79%	1,152	86%	2,825	89%	7,076	91%	118	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:	891	83%	2,141	99%	18	75%	1,095	82%	2,688	85%	6,833	88%	94	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	175	16%	1,175	54%	1	4%	87	7%	370	12%	1,808	23%	12	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	225	21%	570	26%	6	25%	257	19%	546	17%	1,604	21%	86	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	42	4%	244	11%	-	0%	72	5%	162	5%	520	7%	7	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	449	42%	152	7%	11	46%	679	51%	1,610	51%	2,901	37%	- 11	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	52	12%	5	3%	-	0%	49	7%	217	13%	323	11%	12	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	76	17%	-	0%	4	36%	107	16%	205	13%	392	14%	- 5	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	38	8%	-	0%	2	18%	38	6%	232	14%	310	11%	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	34	8%	-	0%	1	9%	34	5%	63	4%	132	5%	22	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	69	15%	146	96%	-	0%	205	30%	547	34%	967	33%	60	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	152	34%	-	0%	4	36%	195	29%	218	14%	569	20%	30	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	221	49%	146	96%	4	36%	400	59%	765	48%	1,536	53%	90	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	633	59%	2,129	99%	11	46%	795	60%	1,769	56%	5,337	69%	193	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.

Status of properties over the past 54 months



	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	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
Scheduled for inspection	3,633	3,787	3,063	2,683	2,195	1,708	1,363	922	694	608	500	345	269	42	78	74	49	78	21	81	77	79	81	93	89	88	109	137	148	144	166	172	186	191	227	184	218	232	209	189	215	174	180	105	85	70	71	95	155	115	135	122	126	117
Assessment completed	1,113	1,080	1,462	1,404	1,522	1,711	1,563	1,684	1,641	1,572	1,537	1,579	1,566	1,629	967	685	633	586	566	607	508	473	399	360	359	347	316	323	312	292	315	333	351	360	337	326	316	266	311	329	346	373	484	474	503	524	509	486	544	561	596	649	573	
Awaiting customer decision	511	868	1,550	1,882	2,013	2,181	2,094	2,234	2,143	2,105	2,169	1,976	1,845	1,710	2,101	2,125	1,459	1,310	1,294	1,156	1,085	916	735	658	630	618	531	440	397	394	368	363	328	339	307	294	274	258	298	295	293	294	300	307	293	283	240	236	230	228	223	224	219	243
Construction with Southern Response - pre documentation	13	53	39	-	-	345	305	165	235	261	315	363	534	667	801	1,362	1,497	1,537	1,548	1,602	1,672	1,739	1,792	1,705	1,600	1,545	1,473	1,392	1,310	1,242	1,121	1,091	945	888	866	834	792	731	715	597	598	601	562	530	504	469	436	415	323	256	226	226	208	
Construction design/documentation	32	26	81	178	248	312	140	200	489	505	503	563	630	595	596	600	597	605	607	622	672	693	712	683	734	783	861	921	952	988	1,015	1,072	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
Under construction	1	2	3	3	6	6	5	6	10	26	28	27	39	62	66	82	90	98	104	123	143	149	178	202	244	285	294	316	348	348	373	399	459	471	505	540	572	583	599	609	618	603	621	618	603	595	535	543	538	510	513	485	479	442
Customers elected to buy another house, self-manage build or cash settle	78	146	244	407	557	638	982	1,185	1,379	1,506	1,525	1,712	1,854	2,006	2,135	2,252	2,419	2,484	2,518	2,548	2,606	2,700	2,792	2,833	2,853	2,864	2,806	2,919	2,960	2,998	3,018	3,034	3,066	287	235	192	194	177	210	193	192	184	174	164	158	152	166	156	140	139	137	124	129	131
Cash settlement completed	-	-	1	1	1	1	2	2	2	3	6	10	13	19	33	38	42	50	54	62	83	104	127	139	159	170	203	230	249	291	316	347	376	412	437	493	533	582	646	691	739	819	841	901	965	1,011	1,112	1,167	1,212	1,270	1,338	1,390	1,446	1,536
Construction completed	-	-	1	1	1	1	2	2	2	3	6	10	13	19	33	38	42	50	54	62	83	104	127	139	159	170	203	230	249	291	316	347	376	412	437	493	533	582	646	691	739	819	841	901	965	1,011	1,112	1,167	1,212	1,270	1,338	1,390	1,446	1,536



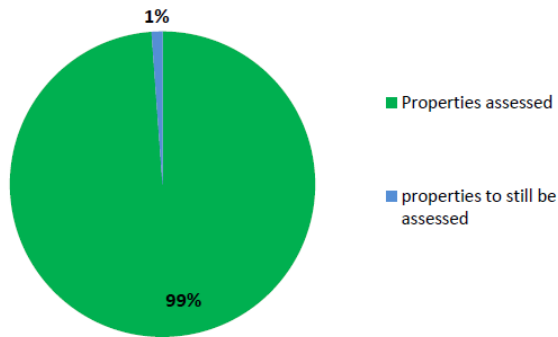
Out of Scope properties as at 31 December 2015

Properties assessed	21,466
properties to still be assessed	249
Total out of scope properties	21,715
Properties completed that didn't involve SR construction	12,612
Properties completed that did involve SR construction	7,900
Fully settled properties	20,512
In progress	954
Properties to still be assessed	249
Total out of scope properties	21,715

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 Assessment Progress as at 31 December 2015



Out of Scope Progress as at 31 December 2015

