

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

Urupare ki te Tonga



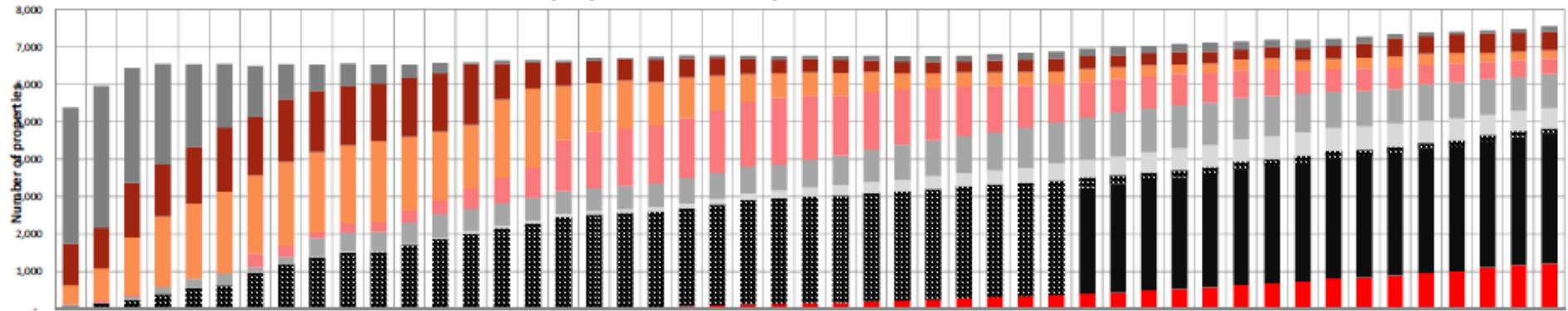
Progress to the end of July 2015

Over cap claims: Detailed analysis

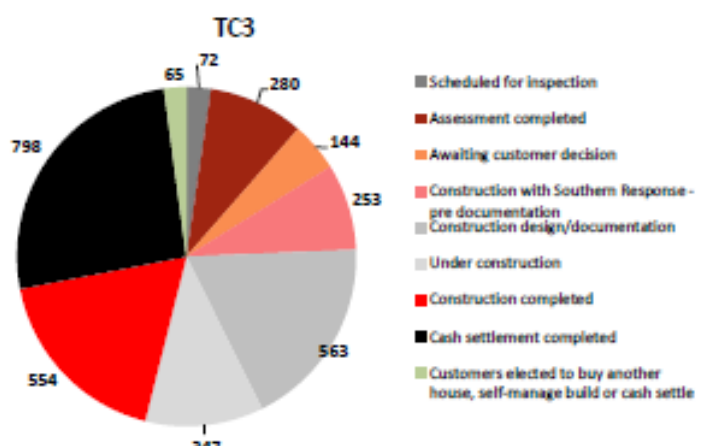
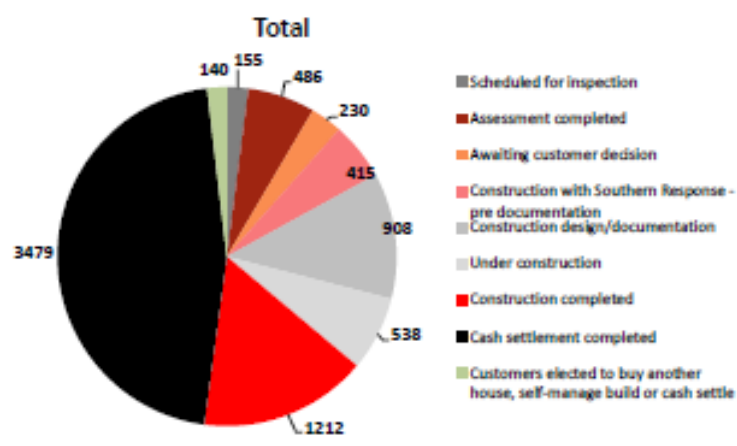
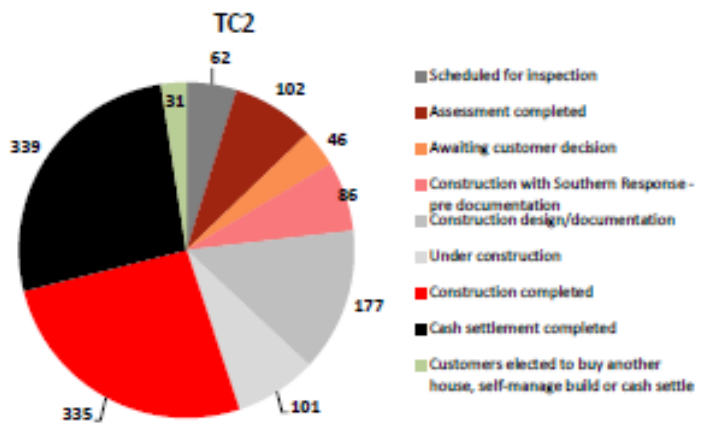
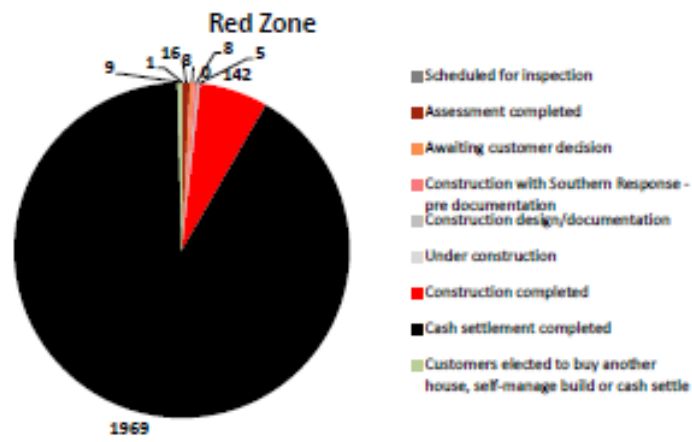
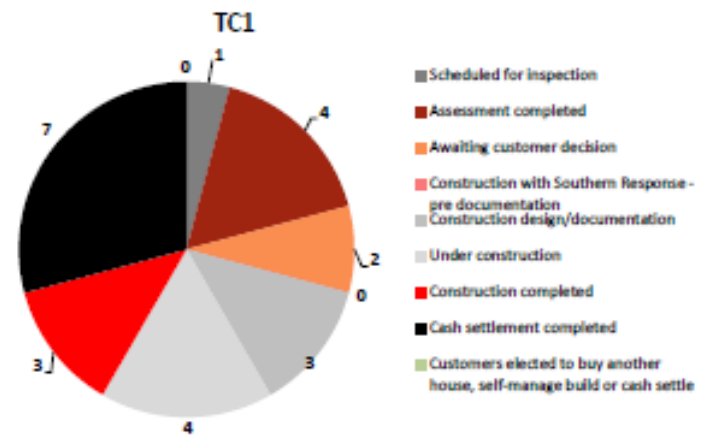
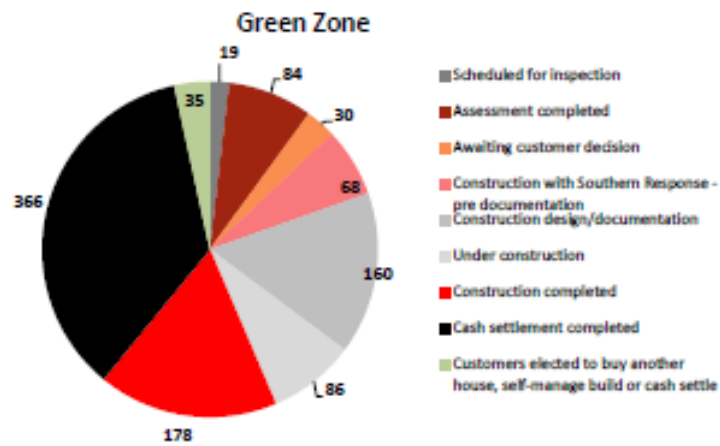
Status Breakdown	Settlements Complete		In Progress	
Totals (at 31st July 2015)	4,691		2,001	
	Purchasing another house	1,734	Cash settlements in progress	140
	Cash settlement	1,307	In design <i>Site considerations being reviewed, geotechnical, engineers, planning, design underway</i>	1,323
	Customer managed rebuild	438		
	Southern Response construction complete (rebuilt and repairs)	1,212	Under construction <i>Construction contract signed, consent issued</i>	538
	<i>Subtotal rebuilds & repairs</i>	1,650		

Southern Response progress to end of July 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	1,026	100%	2,158	100%	24	100%	1,279	100%	3,076	100%	7,563	100%	75	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%		29%		0%		17%		41%		100%			
Assessments & Costings	1,007	98%	2,157	100%	23	96%	1,217	95%	3,004	98%	7,408	98%	15	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	923	90%	2,141	99%	19	79%	1,115	87%	2,724	89%	6,922	92%	38	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:	893	87%	2,133	99%	17	71%	1,069	84%	2,580	84%	6,692	88%	44	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	165	16%	1,172	54%	1	4%	82	6%	338	11%	1,758	23%	1	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	197	19%	563	26%	6	25%	219	17%	395	13%	1,300	18%	15	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	39	4%	243	11%	-	0%	69	5%	130	4%	481	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	492	48%	155	7%	10	42%	699	55%	1,717	56%	3,073	41%	24	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	58	12%	4	3%	-	0%	55	8%	294	17%	411	13%	27	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	102	21%	1	1%	3	30%	122	17%	269	16%	497	16%	18	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	43	9%	-	0%	2	20%	66	9%	289	17%	400	13%	25	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	43	9%	-	0%	2	20%	35	5%	58	3%	138	4%	15	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	52	11%	142	92%	-	0%	162	23%	375	22%	731	24%	24	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	126	26%	-	0%	3	30%	173	25%	179	10%	481	16%	21	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	178	36%	142	92%	3	30%	335	48%	554	32%	1,212	39%	45	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	544	53%	2,111	98%	10	42%	674	53%	1,352	44%	4,691	62%	81	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 49 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
Scheduled for inspection	3,025	3,787	3,963	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
Assessment completed	1,113	1,090	1,462	1,404	1,532	1,711	1,543	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	290	315	333	351	360	337	326	316	316	266	311	329	346	373	484	474	503	524	509	486
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	1,284	1,156	1,085	916	735	658	630	618	531	440	397	394	368	363	328	339	307	294	274	258	248	295	293	294	300	307	293	283	240	236	230
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	1,031	945	888	866	834	790	731	715	597	598	601	562	530	504	469	436	415
Construction design/documentation	32	26	81	178	248	312	340	250	499	505	503	563	630	585	586	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	1,103	1,062	1,031	905	835	828	905	954	947	903	908
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	518
Customers elected to buy another house, self-manage build or cash settle	78	146	244	407	557	638	942	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	2,906	2,819	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
Cash settlement completed	-	-	1	1	1	1	2	2	2	3	6	10	13	19	33	38	42	50	54	62	83	106	127	139	159	170	203	230	249	291	316	347	376	412	437	493	533	582	648	691	739	819	841	901	905	1,011	1,112	1,167	1,212
Construction completed	-	-	1	1	1	1	2	2	2	3	6	10	13	19	33	38	42	50	54	62	83	106	127	139	159	170	203	230	249	291	316	347	376	412	437	493	533	582	648	691	739	819	841	901	905	1,011	1,112	1,167	1,212



Out of scope claims

Out of Scope properties as at 31 July 2015	
Properties assessed	21,202
properties to still be assessed	540
Total out of scope properties	<u>21,742</u>
Properties completed that didn't involve SR construction	12,160
Properties completed that did involve SR construction	7,465
Fully settled properties	<u>19,625</u>
In progress	1,577
Properties to still be assessed	540
Total out of scope properties	<u>21,742</u>

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.

