

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

Urupare ki te Tonga



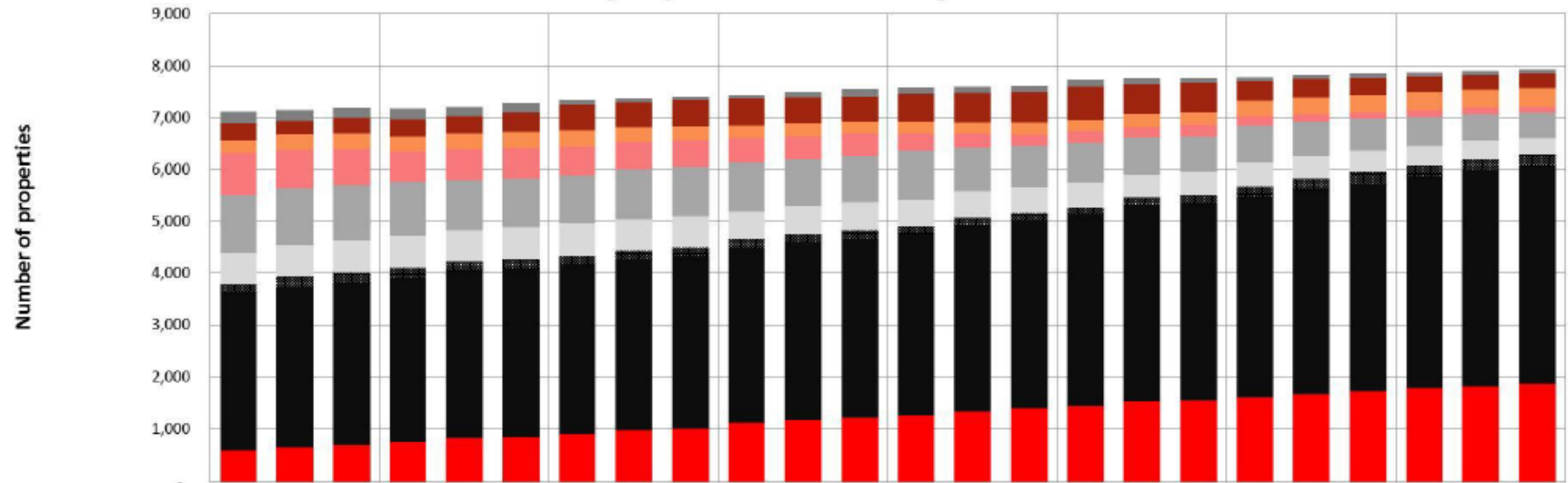
**Progress to the end of July 2016**

Over cap claims: Detailed analysis

Status Breakdown	Settlements Complete		In Progress	
Totals (at 31st July 2016 )	6,076		1,142	
	Purchasing another house	1,860	Cash settlements in progress	202
	Cash settlement	1,826	In design <i>Site considerations being reviewed, geotechnical, engineers, planning, design underway</i>	602
	Customer managed rebuild	523		
	Southern Response construction complete (rebuilt and repairs)	1,867	Under construction <i>Construction contract signed, consent issued</i>	338
	<i>Subtotal rebuilds &amp; repairs</i>	2,390		

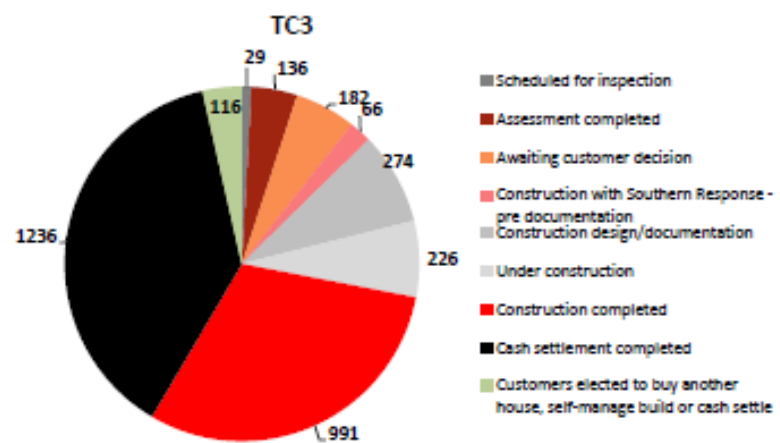
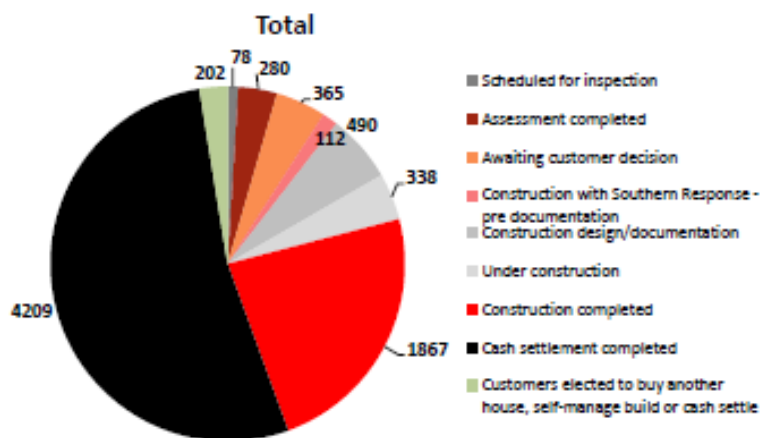
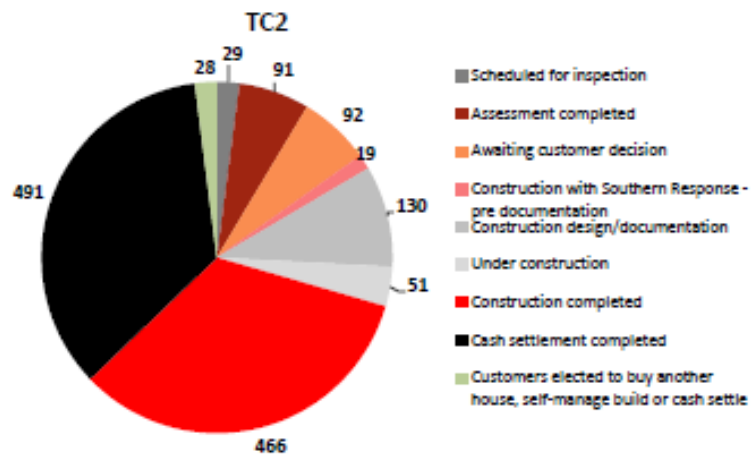
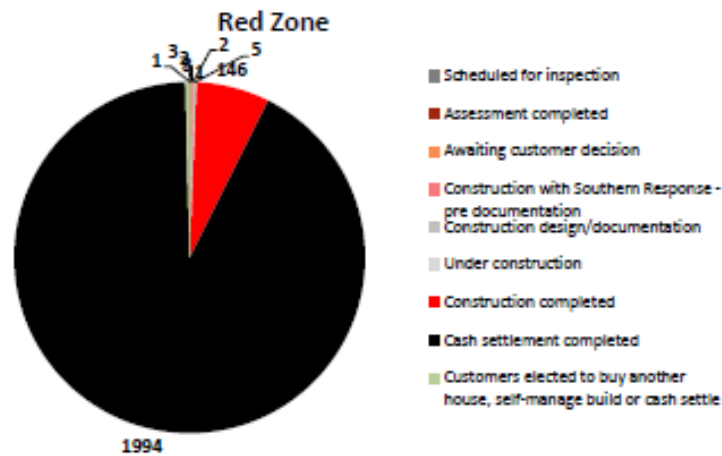
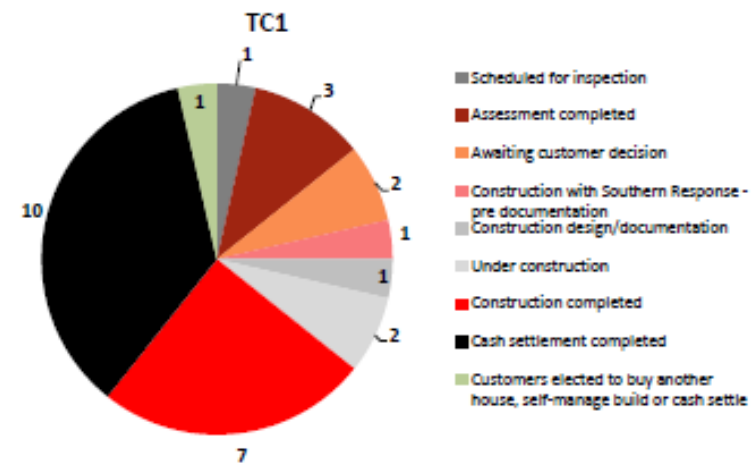
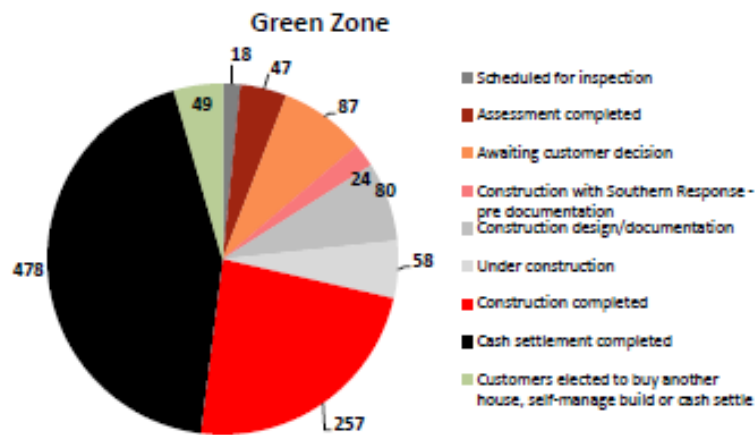
Southern Response progress to end of July 2016	Green Zone		Red Zone		TC1		TC2		TC3		Total		Movement from Last Month	Commentary
	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed		
Notified to Southern Response	1,098	100%	2,162	100%	28	100%	1,397	100%	3,256	100%	7,941	100%	32	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%		27%		0%		18%		41%		100%			
Assessments & Costings	1,080	98%	2,161	100%	27	96%	1,368	98%	3,227	99%	7,863	99%	32	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	1,033	94%	2,158	100%	24	86%	1,277	91%	3,091	95%	7,583	95%	33	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:	946	86%	2,156	100%	22	79%	1,185	85%	2,909	89%	7,218	91%	24	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	189	17%	1,178	54%	1	4%	96	7%	415	13%	1,879	24%	- 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	276	25%	579	27%	10	36%	348	25%	742	23%	1,955	25%	33	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	62	6%	245	11%	-	0%	75	5%	195	6%	577	7%	3	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	419	38%	154	7%	11	39%	666	48%	1,557	48%	2,807	35%	- 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	39	9%	4	3%	-	0%	54	8%	137	9%	234	8%	13	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	41	10%	1	1%	1	9%	76	11%	137	9%	256	9%	- 15	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	34	8%	1	1%	-	0%	29	4%	183	12%	247	9%	11	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	24	6%	-	0%	2	18%	22	3%	43	3%	91	3%	8	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	84	20%	146	95%	2	18%	243	36%	712	46%	1,187	42%	27	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	173	41%	-	0%	5	45%	223	33%	279	18%	680	24%	13	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	257	61%	146	95%	7	64%	466	70%	991	64%	1,867	67%	40	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	735	67%	2,140	99%	17	61%	957	69%	2,227	68%	6,076	77%	80	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 24 months



Number of properties

	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	May-16	Jun-16	Jul-16
■ Scheduled for inspection	232	209	189	215	174	180	105	85	70	71	95	155	115	135	122	126	117	106	81	74	77	73	78	78
■ Assessment completed	316	266	311	329	346	373	484	474	503	524	509	486	544	561	596	649	575	576	371	349	328	306	281	280
■ Awaiting customer decision	258	298	295	293	294	300	307	293	283	240	236	230	228	223	224	219	243	228	299	322	338	350	356	365
■ Construction with Southern Response - pre documentation	792	731	715	597	598	601	562	530	504	469	436	415	323	256	226	226	208	217	185	154	128	123	121	112
■ Construction design/documentation	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	557	511	490
■ Under construction	583	599	609	618	603	621	618	603	595	535	543	538	510	513	495	479	442	442	444	434	409	372	359	338
■ Customers elected to buy another house, self-manage build or cash settle	177	210	193	192	184	174	164	158	152	166	156	140	139	137	124	129	131	136	201	212	227	226	207	202
■ Cash settlement completed	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	4,083	4,169	4,209
■ Construction completed	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	1,787	1,827	1,867



### Out of scope claims

Out of Scope properties as at 31 July 2016	
Fully settled properties	21,140
In progress	384
Properties to still be assessed	166
<b>Total out of scope properties</b>	<b>21,690</b>

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.

