



Urupare ki te Tonga



## ***Progress to the end of March 2016***

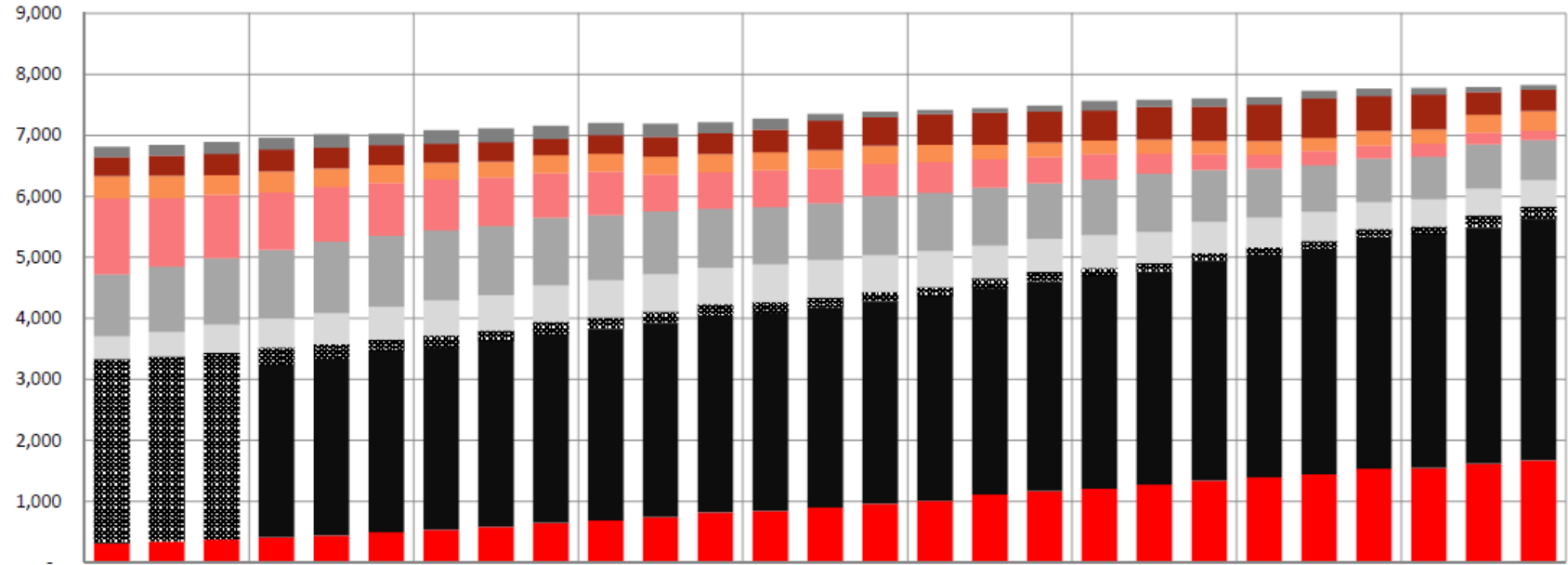
### *Over cap claims: Detailed analysis*

Status Breakdown	Settlements Complete		In Progress	
Totals (at 31st March 2016 )	5,623		1,456	
	Purchasing another house	1,821	Cash settlements in progress In design	212
	Cash settlement	1,639	Site considerations being reviewed, geotechnical, engineers, planning, design underway	810
	Customer managed rebuild	493		
	Southern Response construction complete (rebuilt and repairs)	1,670	Under construction Construction contract signed, consent issued	434
	Subtotal rebuilds & repairs	2,163		

Southern Response progress to end of March 2016	Green Zone <sup>1</sup>		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	1,074	100%	2,161	100%	24	100%	1,353	100%	3,212	100%	7,824	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%		28%		0%		17%		41%		100%			
Assessments & Costings	1,069	100%	2,161	100%	24	100%	1,327	98%	3,169	99%	7,750	99%	39	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	995	93%	2,158	100%	22	92%	1,229	91%	2,997	93%	7,401	95%	61	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& Costings being completed and Offers to customers can be due to the DRA (detailed rebuild/repair analysis) being withdrawn for review or may be due to the time taken to prepare the offer to the customer.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:	933	87%	2,151	100%	20	83%	1,146	85%	2,829	88%	7,079	90%	38	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%	1,175	54%	1	4%	94	7%	395	12%	1,847	24%	24	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	250	23%	576	27%	7	29%	295	22%	635	20%	1,763	23%	51	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	51	5%	246	11%	-	0%	77	6%	181	6%	555	7%	16	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	450	42%	154	7%	12	50%	680	50%	1,618	50%	2,914	37%	- 53	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	48	11%	4	3%	-	0%	58	9%	200	12%	310	11%	- 1	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 then enter this stage.
Design/documentation - Repairs	61	14%	1	1%	4	33%	100	15%	180	11%	346	12%	- 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	38	8%	1	1%	-	0%	36	5%	232	14%	307	11%	32	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%	-	0%	31	5%	62	4%	127	4%	13	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	74	16%	146	95%	2	17%	224	33%	605	37%	1,051	36%	39	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Construction completed - Repairs	161	36%	-	0%	5	42%	207	30%	246	15%	619	21%	16	Repair construction completed, with the percentage of claims at this stage shown as a percentage of Building with Southern Response claims.
Total construction completed	235	52%	146	95%	7	58%	431	63%	851	53%	1,670	57%	55	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	673	63%	2,134	99%	14	58%	859	63%	1,943	60%	5,623	72%	135	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 by Southern Response on behalf of other insurers are not, and will not be, included in Southern Response's statistics.

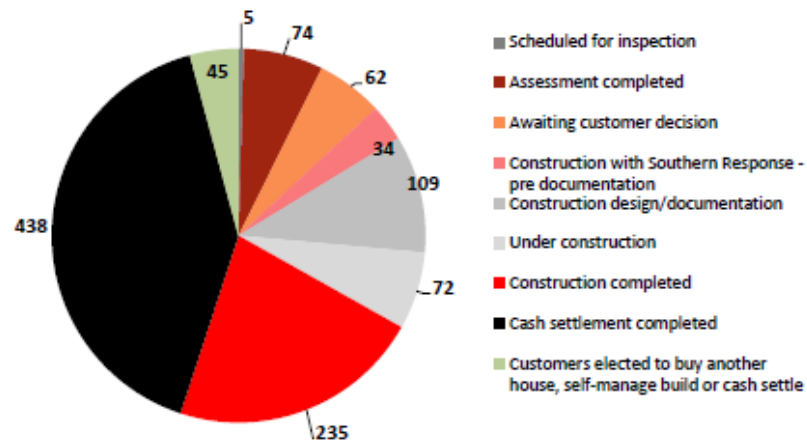
## Status of properties over the past 26 months

Number of properties

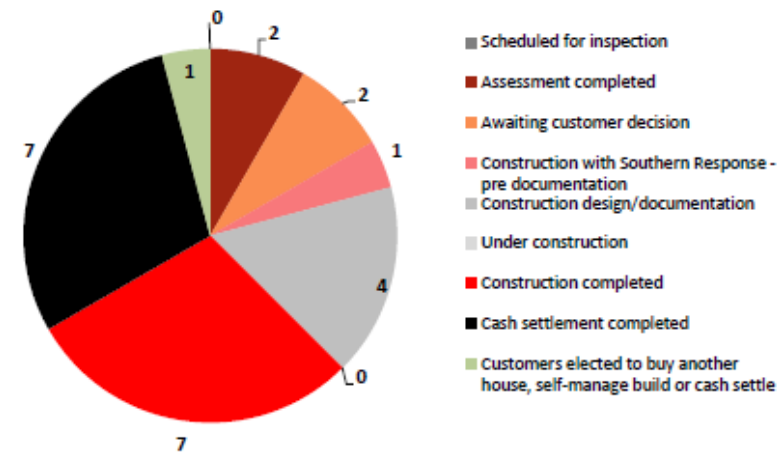


	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
Scheduled for inspection	166	172	186	191	227	184	218	232	209	189	215	174	180	105	85	70	71	95	155	115	135	122	126	117	106	81	74
Assessment completed	315	333	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
Awaiting customer decision	368	363	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
Construction with Southern Response - pre documentation	1,242	1,121	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
Construction design/documentation	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	696	723	656
Under construction	373	399	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
Customers elected to buy another house, self-manage build or cash settle	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	136	201	212
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
Construction completed	316	347	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

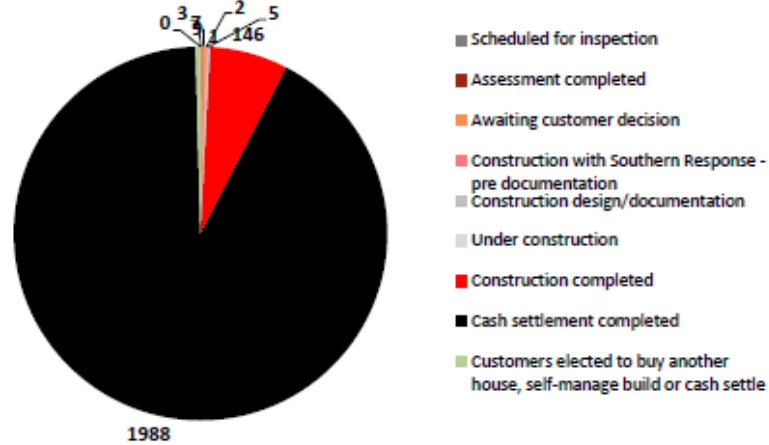
Green Zone



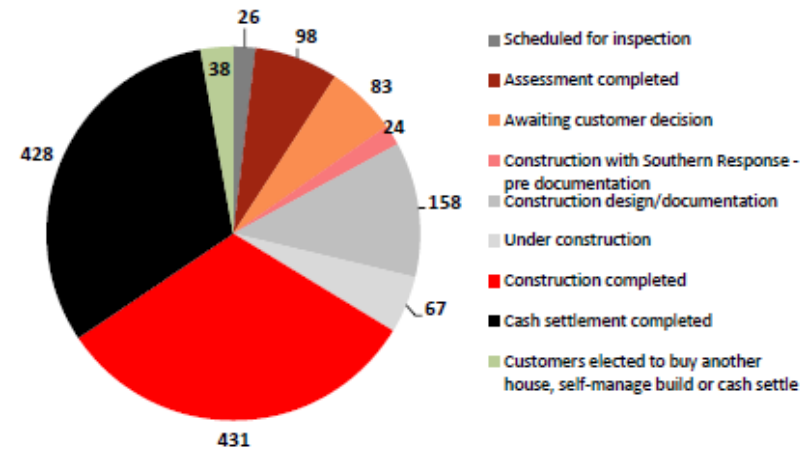
TC1



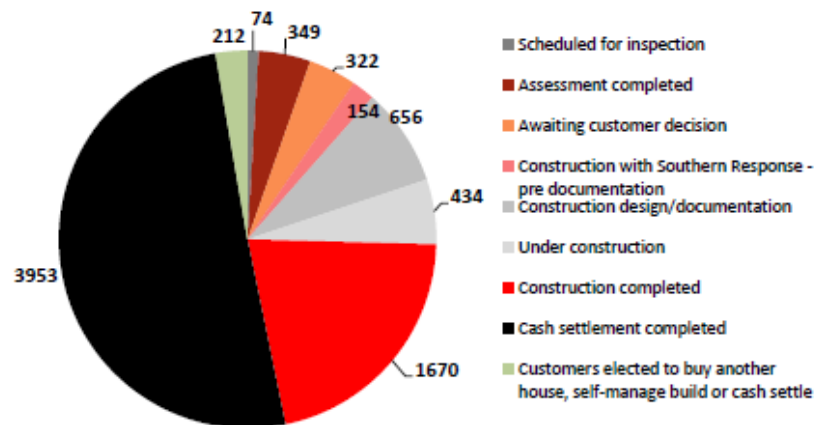
Red Zone



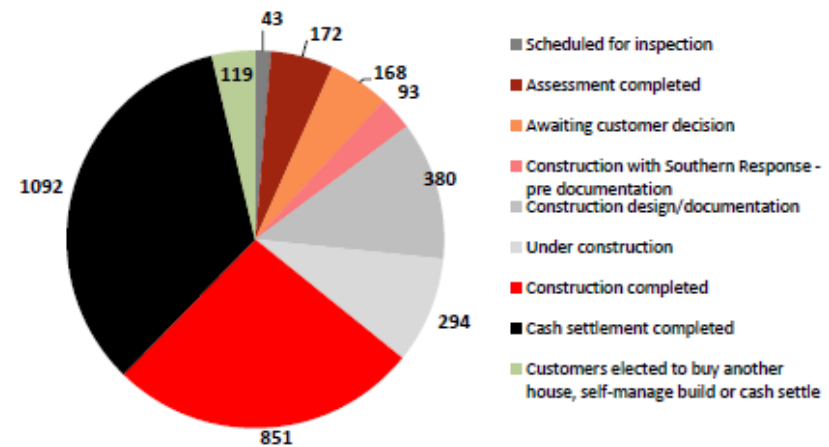
TC2



Total



TC3



<b>Out of Scope properties as at 31 March 2016</b>	
Properties assessed	21,546
properties to still be assessed	197
Total out of scope properties	21,743
Properties completed that didn't involve SR construction	12,711
Properties completed that did involve SR construction	8,064
Fully settled properties	20,775
In progress	771
Properties to still be assessed	197
Total out of scope properties	21,743

### 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.

