

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 October 2016

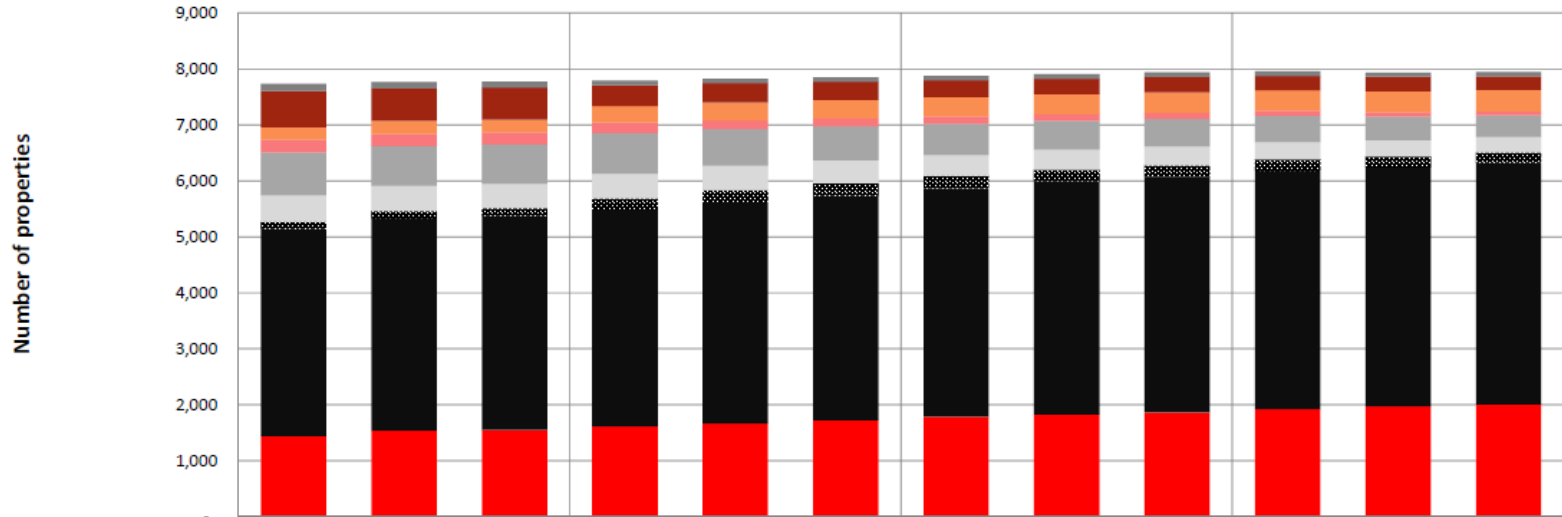
Over cap claims: Detailed analysis

Status Breakdown	Settlements Complete		In Progress	
Totals (at 31st October 2016)	6,324		922	
	Purchasing another house	1,878	Cash settlements in progress	184
	Cash settlement	1,895	In design <i>Site considerations being reviewed, geotechnical, engineers, planning, design underway</i>	459
	Customer managed rebuild	544		
	Southern Response construction complete (rebuilt and repairs)	2,007	Under construction <i>Construction contract signed, consent issued</i>	279
	<i>Subtotal rebuilds & repairs</i>	2,551		

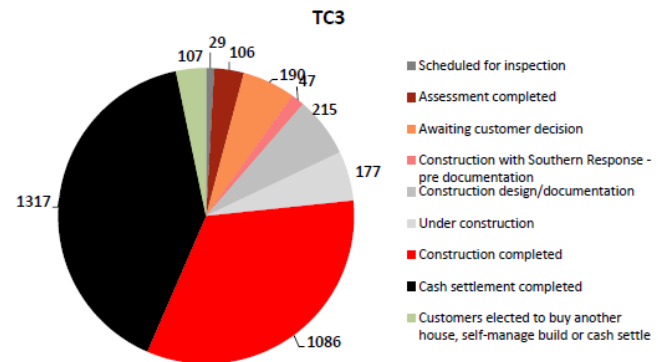
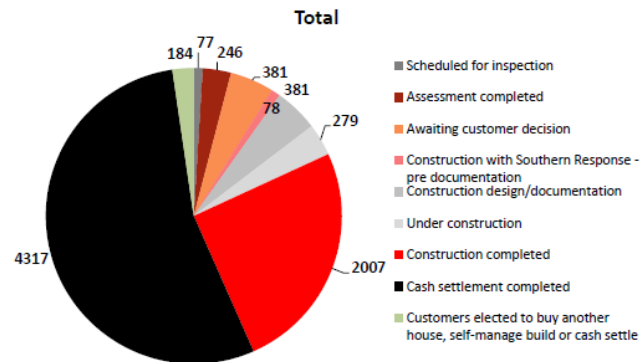
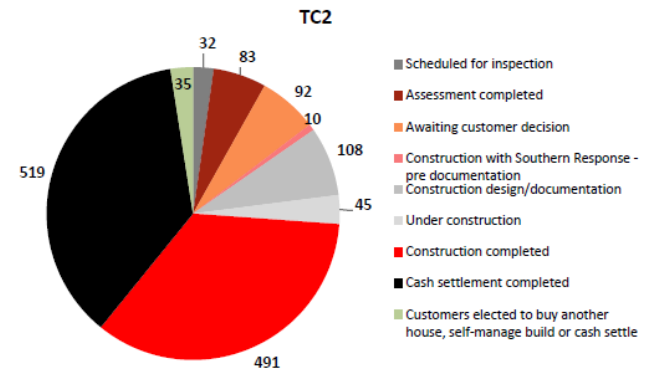
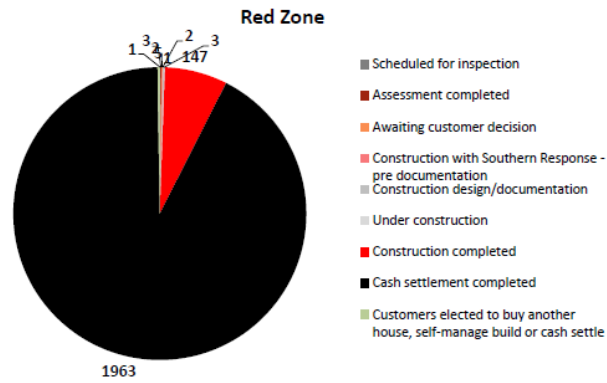
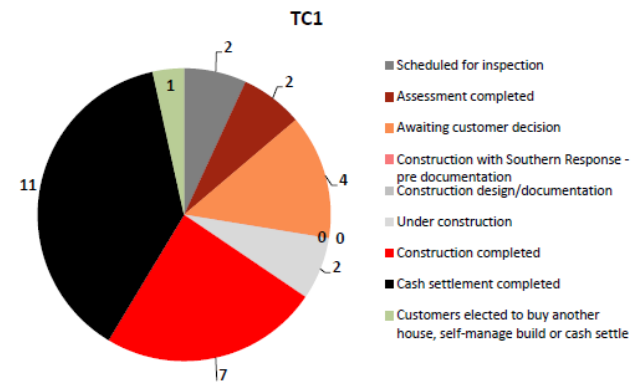
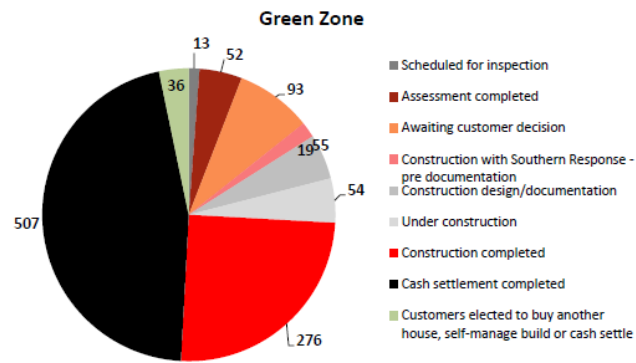
Southern Response progress to end of October 2016	Green Zone ¹		Red Zone		TC1		TC2		TC3		Total		Actual Movement from Last Month	Commentary
	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed	Number of Properties	% completed		
Notified to Southern Response	1,105	100%	2,127	100%	29	100%	1,415	100%	3,274	100%	7,950	100%	14	The number of claims <i>Notified to Southern Response</i> 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	1,092	99%	2,126	100%	27	93%	1,383	98%	3,245	99%	7,873	99%	6	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	1,040	94%	2,123	100%	25	86%	1,300	92%	3,139	96%	7,627	96%	24	The gap between the <i>Assessments & Costings</i> being completed and <i>Offers to customers</i> 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:	947	86%	2,121	100%	21	72%	1,208	85%	2,949	90%	7,246	91%	14	The gap between the <i>Offers to customers</i> and the <i>Customer decisions made</i> 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	191	17%	1,178	55%	1	3%	102	7%	435	13%	1,907	24%	7	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	287	26%	544	26%	11	38%	372	26%	792	24%	2,006	25%	26	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	65	6%	246	12%	-	0%	80	6%	197	6%	588	7%	1	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	404	37%	153	7%	9	31%	654	46%	1,525	47%	2,745	35%	- 20	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	24	6%	2	1%	-	0%	41	6%	114	7%	181	7%	- 4	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 <i>Building with Southern Response</i> 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	31	8%	1	1%	-	0%	67	10%	101	7%	200	7%	- 11	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 <i>Building with Southern Response</i> claims.
Under construction - Rebuilds	33	8%	1	1%	-	0%	26	4%	148	10%	208	8%	12	Rebuild properties now under construction. The percentage of claims at this stage is shown as a percentage of <i>Building with Southern Response</i> claims.
Under construction - Repairs	21	5%	-	0%	2	22%	19	3%	29	2%	71	3%	7	Repair properties now under construction. The percentage of claims at this stage is shown as a percentage of <i>Building with Southern Response</i> claims.
													Movement from last month	
Construction completed - Rebuilds	95	24%	147	96%	2	22%	258	39%	783	51%	1,285	47%	24	Rebuild construction completed, with the percentage of claims at this stage shown as a percentage of <i>Building with Southern Response</i> claims .
Construction completed - Repairs	181	45%	-	0%	5	56%	233	36%	303	20%	722	26%	11	Repair construction completed, with the percentage of claims at this stage shown as a percentage of <i>Building with Southern Response</i> claims .
Total construction completed	276	68%	147	96%	7	78%	491	75%	1,086	71%	2,007	73%	35	Rebuild and repair construction completed, with the percentage of claims at this stage shown as a percentage of <i>Building with Southern Response</i> claims .
Fully settled claims	783	71%	2,110	99%	18	62%	1,010	71%	2,403	73%	6,324	80%	87	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 for the last 12 months



	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
▒ Scheduled for inspection	126	117	106	81	74	77	73	78	78	77	69	77
■ Assessment completed	649	575	576	371	349	328	306	281	280	258	264	245
■ Awaiting customer decision	219	243	228	299	322	338	350	356	365	366	371	382
■ Construction with Southern Response - pre documentation	226	208	217	185	154	128	123	121	112	90	83	78
■ Construction design/documentation	761	715	696	723	656	614	557	511	490	470	415	381
■ Under construction	479	442	442	444	434	409	372	359	338	303	295	279
■ Customers elected to buy another house, self-manage build or cash settle	129	131	136	201	212	227	226	207	202	207	202	184
■ Cash settlement completed	3,698	3,801	3,826	3,873	3,953	4,013	4,083	4,169	4,209	4,261	4,265	4,317
■ Construction completed	1,446	1,536	1,551	1,615	1,670	1,720	1,787	1,827	1,867	1,924	1,972	2,007



Out of Scope properties as at 31 October 2016	
Fully settled properties	21,232
In progress	356
Properties to still be assessed	131
Total out of scope properties	21,719

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.

