

Monthly Performance Dashboard

May 2023

Toka Tū Ake EQC has adopted a new name to better represent the role our scheme plays in supporting New Zealanders.

Our new name reflects the whakapapa of our nation.

Our land is constantly changing from earthquakes, volcanic eruptions, landslips and floods. Communities have lived alongside those perils for hundreds of years, and Māori have always believed the relationship and connection of people to land and nature is inseparable.

How to use this dashboard

This dashboard shows a monthly snapshot of Toka Tū Ake | EQC progress across its operational spectrum as well as how we track in relation to the performance measures in our *Statement of Performance Expectations 2022-23*. Below is a summary of each section.

Section 1 - Statement of Performance Expectations (SoPE) measures

This section shows progress across those SoPE measures that can be measured on a monthly or quarterly basis. The results are cumulative year-to-date results with a traffic light system used to indicate proximity of actual performance to expected performance. The *Statement of Performance Expectations 2022-2023* is one of our public accountability documents which can be found on our website:

<https://www.eqc.govt.nz/our-publications/statement-of-performance-expectations-2022-2023/>

Section 2 - Canterbury*

This section tracks the progress of outstanding claims arising from the Canterbury sequence of earthquakes 2010-11 ('Canterbury'). It shows how many claims have been reopened (inflow), how many claims have been resolved during the month (resolved), and how many remain open (on hand). We also profile our remaining on hand claims by age, by complexity, and by reopen reason. This section also provides visibility on our progress to resolve claims in dispute (claims subject to legal proceedings or other dispute resolution pathways).

Government on-sold support package

This sub-section outlines our progress in the delivery of the Government on-sold support package, on behalf of the Government, to support owners of on-sold over-cap properties in Canterbury to access financial help to have their homes repaired.

Section 3 - Other Natural Disaster Events (Excluding Canterbury/Kaikōura)

This section covers all claims that are not related to the specific Canterbury and Kaikōura events. Here, we track our claims management progress by how many we have received during the month (inflow), how many we have resolved in the month (resolved), and how many remain open (on hand). The data in this section is organised by the type of natural disaster damage for which a claim may be lodged (namely earthquake, landslip, flood or storm damage). In this section we also profile our remaining on hand claims by damage type and age.

Claims subject to management under the Natural Disaster Response Model (NDRM)

This section provides a summary view, at an aggregate level, of claims managed under the Natural Disaster Response Model (NDRM), which came into effect on 30 June 2021. Under the NDRM, customers now lodge their disaster claim directly with our insurer partners who manage the settlement process on behalf of EQC ('Insurer Managed').

Note: Toka Tū Ake EQC continues to directly manage a small number of historical claims ('Toka Tū Ake EQC Managed') that pre-date the NDRM.

Section 4 - Resilience

This section monitors the progression of Toka Tū Ake EQC's contribution to reducing risk and building resilience to natural hazards in New Zealand.

The section also monitors the perceptions of key stakeholders around the quality and relevance of the outputs of our investment in research (usefulness, useability and use), our contribution to building resilience to natural hazards and the quality of our partnering in these areas. Monitoring also includes the public's perceptions of how we are doing with enhancing public understanding of natural hazard risk and our influence on the public to take action to reduce this risk. Reporting on progress will occur on a quarterly basis.

Section 5 - Customer Focus

This section monitors the quality of our customer focus through customers' satisfaction with their interactions with Toka Tū Ake EQC. There are three key strands to our customer focus metrics:

- 'Service Quality' of their overall claims experience and, for Canterbury customers, reflection on their most recent experience;
- 'Timeliness and quality of Complaints Resolution'; and
- 'Enduring settlements'.

Customer satisfaction surveys are conducted on our behalf by Kantar Public, who survey on our behalf every month. This section also summarises the volume of customer contacts through our primary channels of phone, email or post.

Note: Given the time required to complete our surveys, we report our customer satisfaction results one month in arrears.

Section 6 - Media (Traditional and Social)

This section monitors the tone and impact of Toka Tū Ake EQC's coverage in both traditional and social media. It keeps a year-to-date count of the number of media statements released by us, and also how frequently we appear in media coverage across the month (media articles). This section also provides a view on what's driving our coverage, the tone of the coverage, leading messages, and themes shaped by what's driving coverage across both formats.

Section 7 - Official Information Act (OIA) Requests

This section monitors the number of OIAs we have received, completed and have remaining on hand at the end of the month. Our OIAs are divided into two types: those in which our customers' request information and/or supportive information from us on their claim (Customer OIA); and OIA requests that relate directly to Toka Tū Ake EQC and/or operational activities (Organisational OIAs). Our compliance rate for both request types is monitored and reported here.

Section 8 - Data Protection

This section provides a monthly update on Toka Tū Ake EQC's compliance matters, in particular, the severity and nature of reported privacy breaches as well as any emerging themes.

Section 9 - Our People

This section tracks Toka Tū Ake EQC's average annual leave balance, sick leave usage and annualised turnover, compares them to the corresponding Public Service average and provides visibility on what's influencing our averages and annualised turnover rate. This section also provides a view on headcount movement overlayed by claim population movement and a broad profile of our workforce, which is updated on a quarterly basis.

*The published report made publicly available excludes a section on Kaikōura. This is excluded due to commercially sensitive insurer data.

IN CONFIDENCE-COMMERCIAL

Section 1 - Statement of Performance Expectation measures - monthly monitoring

Output One - Recovery after an event

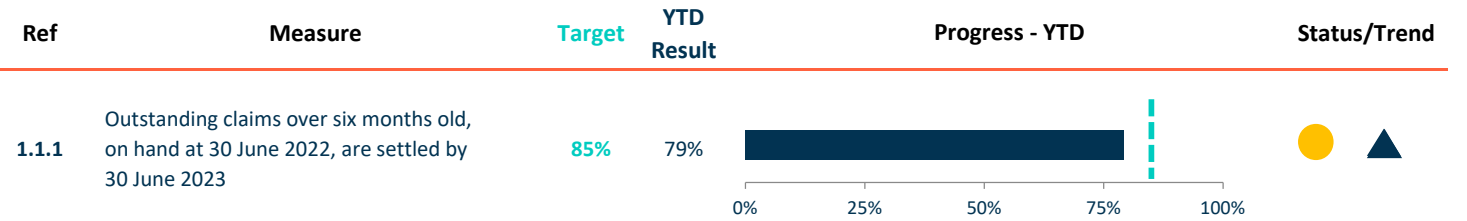
Output 1.1: Settlement of the 2010-11 Canterbury earthquake sequence remedial claims

Output 1.1 is specifically focussed on serving customers with claims from the **2010-2011 Canterbury earthquake sequence**, including claims Toka Tū Ake EQC is managing on behalf of Southern Response Earthquake Services Limited (Southern Response). The measures address both the timeliness and the customer focus of the claims management services.

The measures in this output class are a continuation from the 2021-2022 financial year. The number of claims from the Canterbury events is gradually reducing as less new damage is discovered. From 2023-2024, measures are likely to be re-evaluated to reflect the fewer claim numbers and the different treatments required for them.

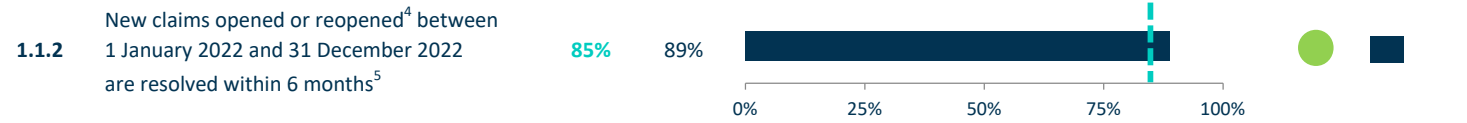
The threshold for customer satisfaction is different for Canterbury claims than it is for other claims. This is because damaged homes in Canterbury often have long and complex histories, in part reflective of past processes that have now changed. Also, for this reason, most of our customer focus measures look at a customer’s recent experience to test the effectiveness of our continuous improvement initiatives.

Performance measures | Timeliness



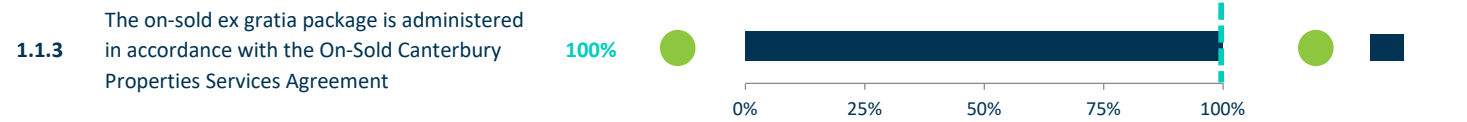
Commentary

In the FYTD, performance against SOPE measure 1.1.1 is tracking slightly behind expected performance to meet target. To date, we have closed 221 (79%) of the 279 claims that were outstanding (over 6 months old) as at 30 June 2022.



Commentary

In the FYTD, performance against SOPE measure 1.1.2 is tracking ahead of expected performance to meet target. To date, 1,848 (89%) of the 2,080 in-scope claims that were reopened in January-November 2022 have been settled within 6 months of their reopened date.



Performance measure	Standard	Result
A decision on the outcome of the Application will be conveyed to the Applicant within one month of receiving all required documentation and reports.	100%	100%
EQC will provide reporting to the Treasury as specified in Schedule 4 of the On-Sold Canterbury Properties Services Agreement.	Achieved	Achieved
Applications for ex gratia payments will be assessed against the criteria specified in the On-Sold Canterbury Properties Services Agreement and a decision on the outcome of the Application will be conveyed to the Applicant within one month of receiving all required documentationand reports.	100%	100%

⁴The open claim has been resolved (closed) from the perspective of the business (Toka Tū Ake EQC). An open claim may be classified as resolved where the customer has been asked to provide further information related to their claim (over a period) that has not occurred. This approach is consistent with that taken by the private insurers. To count as reopened, Toka Tū Ake EQC needs to have triaged the request and accepted the possibility of further activity being required.

⁵Does not include claims in litigation or where a customer appoints a third party to represent them.

Key:

Result not available for the month

Potential risk of not achieving target

On track for delivery

Target highly unlikely to be achieved

Performance trend increase

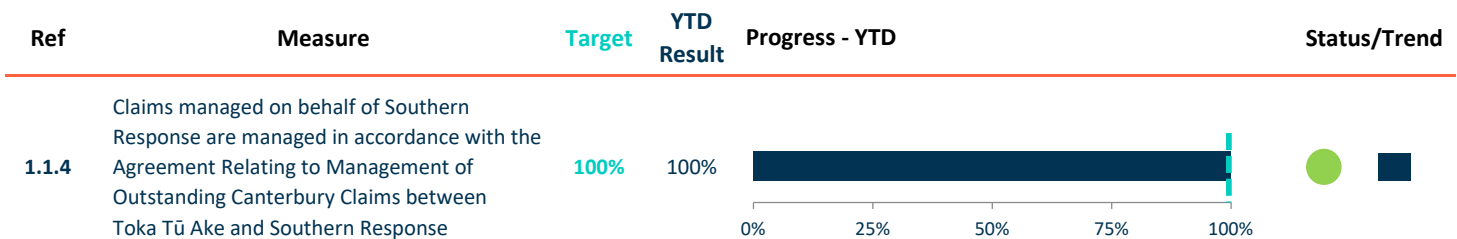
Performance trend decrease

No change in performance trend

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

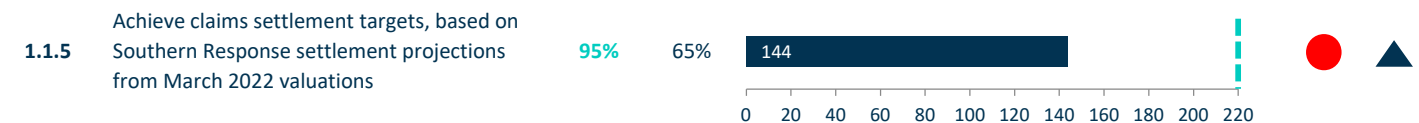
Output One - Recovery after an event (cont.)

Performance measures | Timeliness



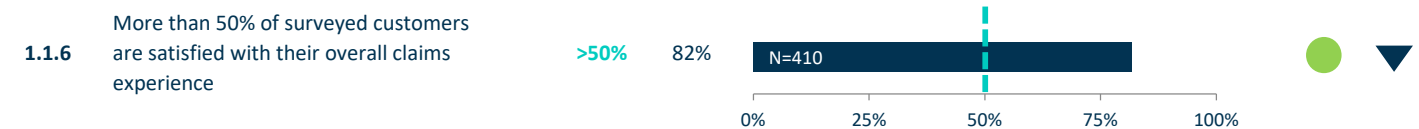
Commentary

Under clause 6.6 of the Agreement relating to management of outstanding Southern Response earthquake claims, EQC must obtain Southern Response's written agreement prior to proceeding, where the Settlement Sum or Repair or Rebuild Sum exceeds the Cap by more than \$50,000.



Commentary

In the FYTD, performance against SOPE measure 1.1.5 is tracking behind expected performance to meet target. In the FYTD, 144 (65%) of the FY22-23 claims settlement target of 220 covered claims, based on the Southern Response settlement projections from March 2022 valuations, have been settled.

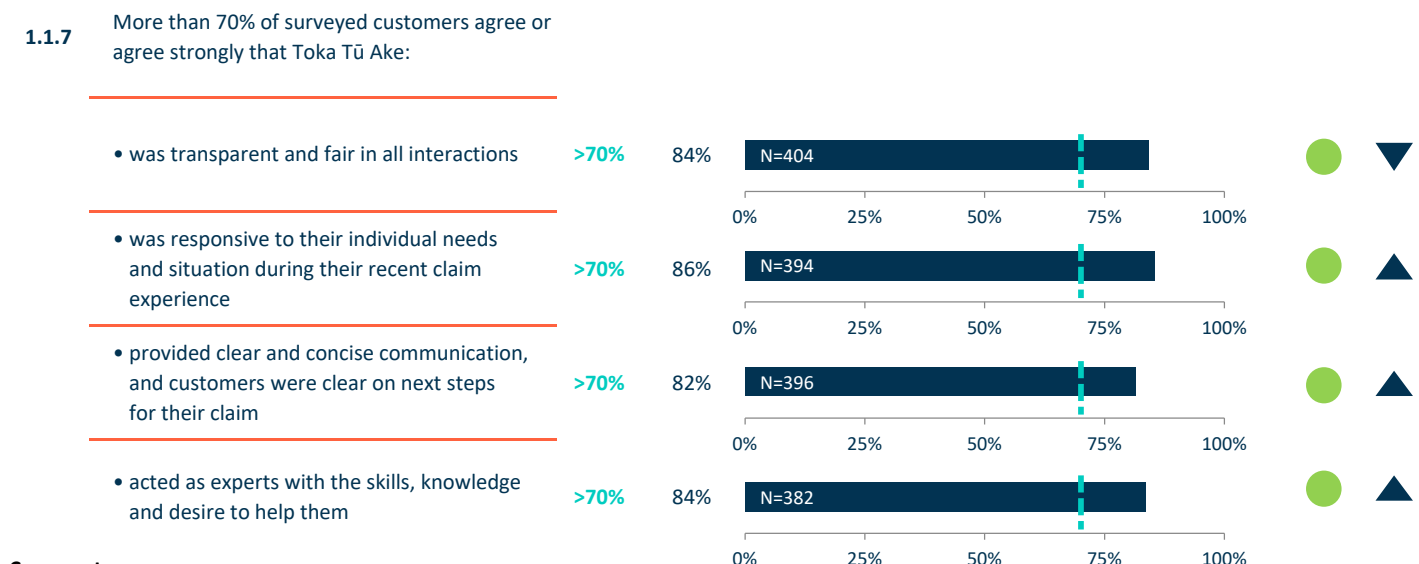


Commentary

In the FYTD, performance against SOPE measure 1.1.6 is tracking ahead of expected performance to meet target.

Note: Results are reported one month in arrears.

Reflecting on their most recent experience:



Commentary

In the FYTD, performance against SOPE measure 1.1.7 is tracking ahead of expected performance to meet target across all four dimensions of the measure.

Note: Results are reported one month in arrears.

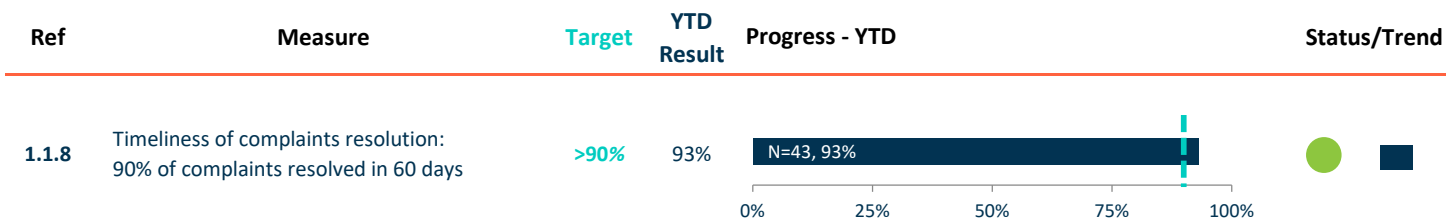
Key:

	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

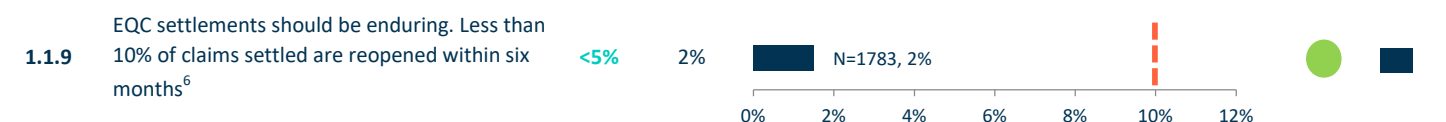
Output One - Recovery after an event (cont.)

Performance measures | Timeliness (cont.)



Commentary

In the FYTD, performance against SOPE measure 1.1.8 is tracking ahead of expected performance to meet target. Of the 43 complaints relating to Canterbury claims received to date, 40 (93%) have been resolved within the target timeframe.



Commentary

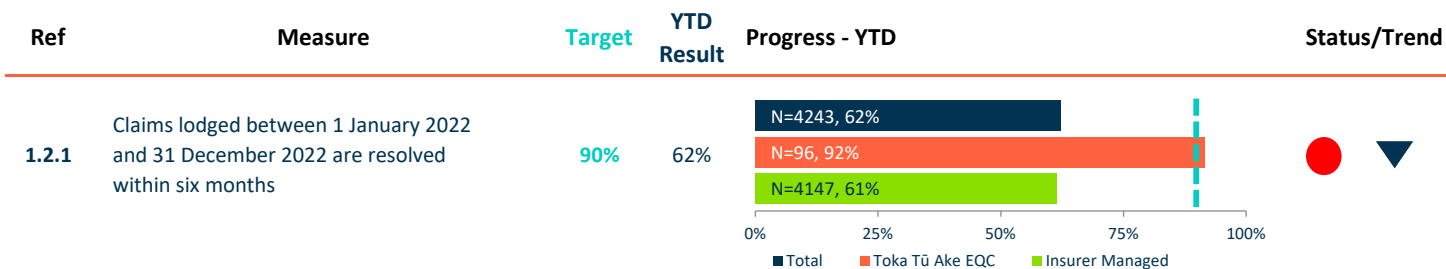
In the FYTD, performance against SOPE measure 1.1.9 is tracking ahead of expected performance to meet target. Of the 1,783 in-scope claim closures during January-November 2022, 27 claims (2%) have since been reopened.

Output One - Recovery after an event

Output 1.2: Claims relating to natural disaster events (excluding Canterbury)

Output 1.2 is focussed on other claims to the scheme that **occurred after the 2010-2011 Canterbury earthquake sequence**. These measures address the speed, quality and cost of claims resolution. For claims submitted after 30 June 2021, these measures apply to claims management services provided by private insurers under the NDRM.

Performance measures | Timeliness



Commentary

In the FYTD, performance against SM 1.2.1 is tracking behind expected performance to meet target. To date, 2,637 (62%) claims of the 4,243 in-scope claims lodged during January-November 2022 have been settled within 6 months.

Explanatory note: Performance for this measure is based on the final result as at 30 June 2023. Monthly results provide an indication of whether or not Toka Tū Ake EQC and our insurer partners are tracking in line with the expected trajectory to achieve the target for this measure by that date.

⁶This will not include claims re-opened for administrative purposes (such as for making a payment or insurer facilitation).

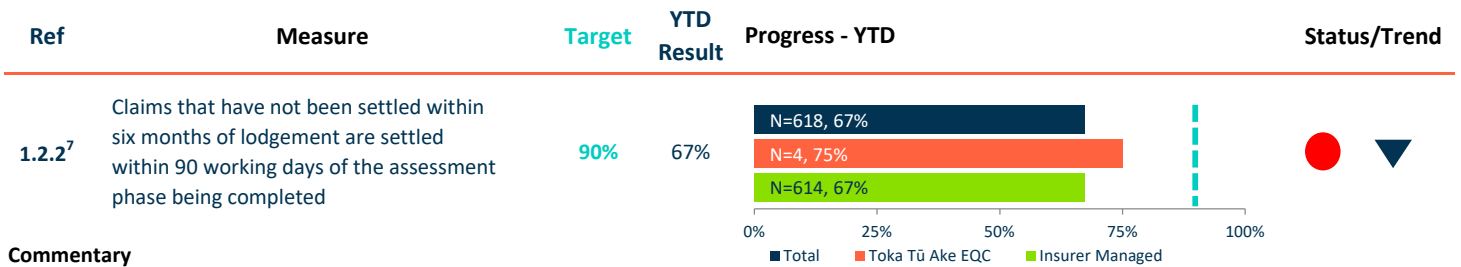
Key:

	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output One - Recovery after an event (cont.)

Output 1.2 | Performance measures | Timeliness (cont.)



In the FYTD, performance against SM 1.2.2 is tracking behind expected performance to meet target. For Toka Tū Ake EQC managed claims, 3 (75%) of the 4 in-scope claims not settled within six months of lodgement were settled within 90 working days of the assessment phase completion. For Insurer managed claims, there are 614 claims within scope this month. Of these, 413 (67%) have met the measure with 201 not passing, as the claim remained open, or was settled more than 90 days after the assessment phase.



Commentary

In the FYTD, performance against SM 1.2.3 is tracking behind expected performance required to meet target with a YTD result of 64%. (cf. 65% Mar-23)
 SM 1.2.4a - *transparent and fair interactions* is tracking behind expected performance with a YTD result of 64%. (cf. 65% Mar-23)
 SM 1.2.4b - *responsiveness* is tracking behind expected performance required with a YTD result of 66%. (cf. 65% Mar-23)
 SM 1.2.4c - *clear and concise communications* is tracking in line with expected performance with a YTD result of 68%. (cf. 70% Mar-23)
 SM 1.2.4d - *acted as experts with knowledge* is tracking ahead of expected performance with a YTD result of 73%. (cf. 73% for Mar-23)

⁷The measure has been adjusted to reflect the small number of claims that now fall within this category.

⁸Excludes complaints that fall into the external dispute resolution process to align with Fair Insurance Code terminology.

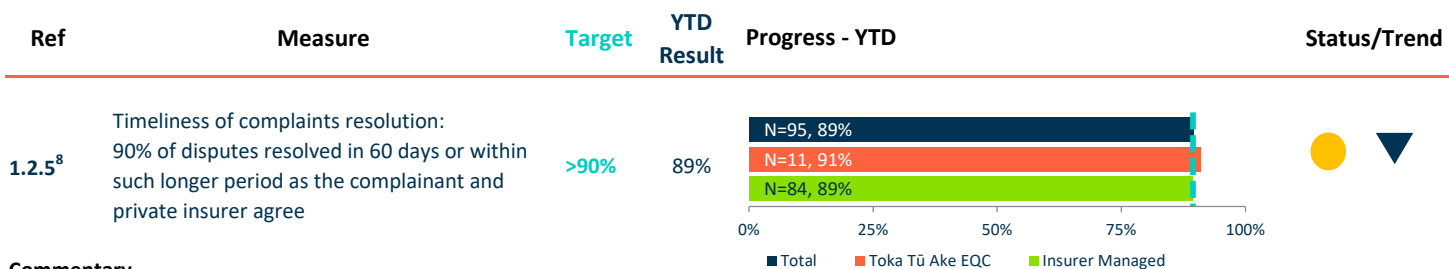
Key:

	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output One - Recovery after an event (cont.)

Output 1.2 | Performance measures | Customer focus (cont.)

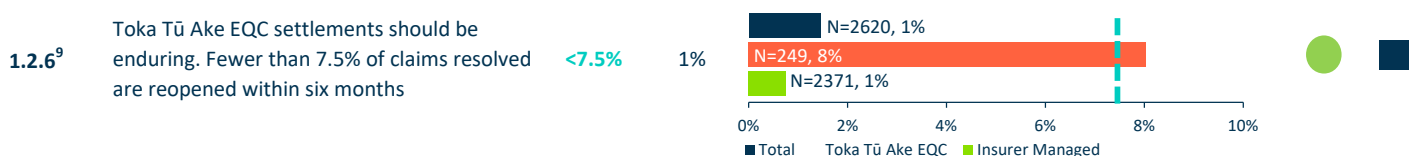


Commentary

In the FYTD, performance against SM 1.2.5 has fallen below expected performance to meet target, with an overall YTD result of 89%. Of all in-scope claims for this measure:

- 91% of complaints relating to Toka Tū Ake EQC-managed claims have been resolved within 60 days (N=11); and
- 89% of complaints relating to Insurer managed claims have been resolved within 60 days (N=84).

Note: There is a degree of volatility in the results for this measure due to low volumes of complaints.



Commentary

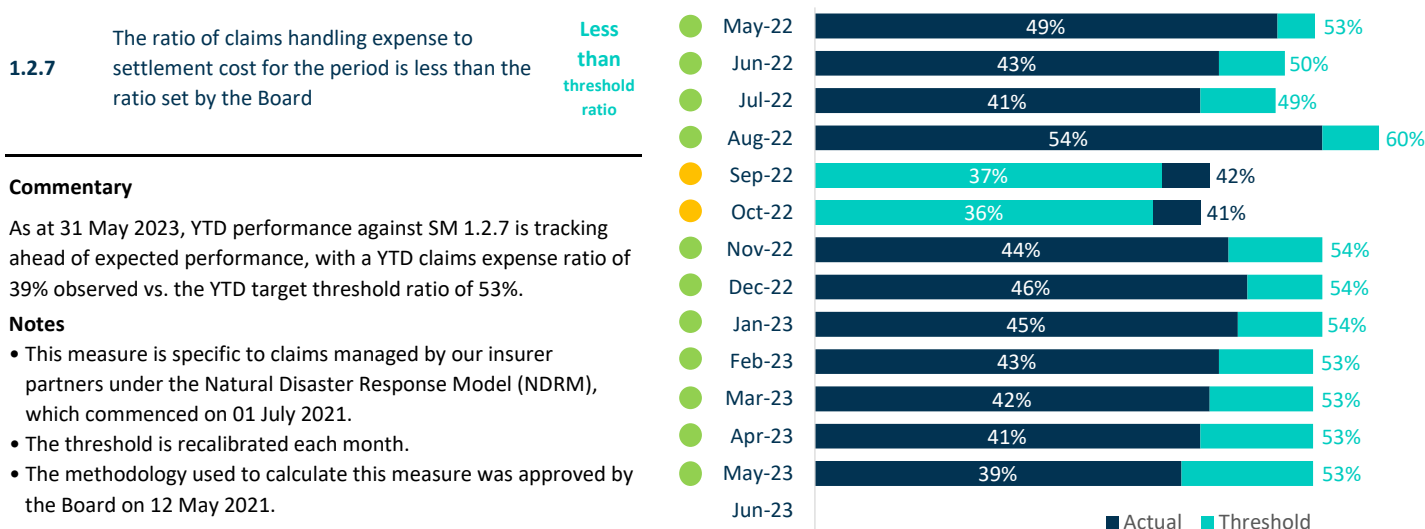
In the FYTD, overall performance against SM 1.2.6 is in line with expected performance to meet target, with a YTD result of 1%.

Of all claim closures during January-November 2022:

- 8% of Toka Tū Ake EQC-managed claims were reopened within 6 months of closure (N=249); and
- 1% of Insurer managed claims were reopened within 6 months of closure (N=2,371).

Note: This result is adjusted to remove the claims reopened for administrative purposes as advised by our insurer partners. There are 8 reopened claims, that came into scope this month, which are unconfirmed by two insurer partners at time of reporting.

Output 1.2 | Performance measures | Quantity



Commentary

As at 31 May 2023, YTD performance against SM 1.2.7 is tracking ahead of expected performance, with a YTD claims expense ratio of 39% observed vs. the YTD target threshold ratio of 53%.

Notes

- This measure is specific to claims managed by our insurer partners under the Natural Disaster Response Model (NDRM), which commenced on 01 July 2021.
- The threshold is recalibrated each month.
- The methodology used to calculate this measure was approved by the Board on 12 May 2021.

⁹Measure excludes administrative reopens.

¹⁰https://www.eqc.govt.nz/sites/public_files/documents/grants/EQC%20Resilience%20Strategy%202019.pdf

Key:

- Result not available for the month
- Potential risk of not achieving target
- Performance trend increase
- On track for delivery
- Target highly unlikely to be achieved
- Performance trend decrease
- No change in performance trend

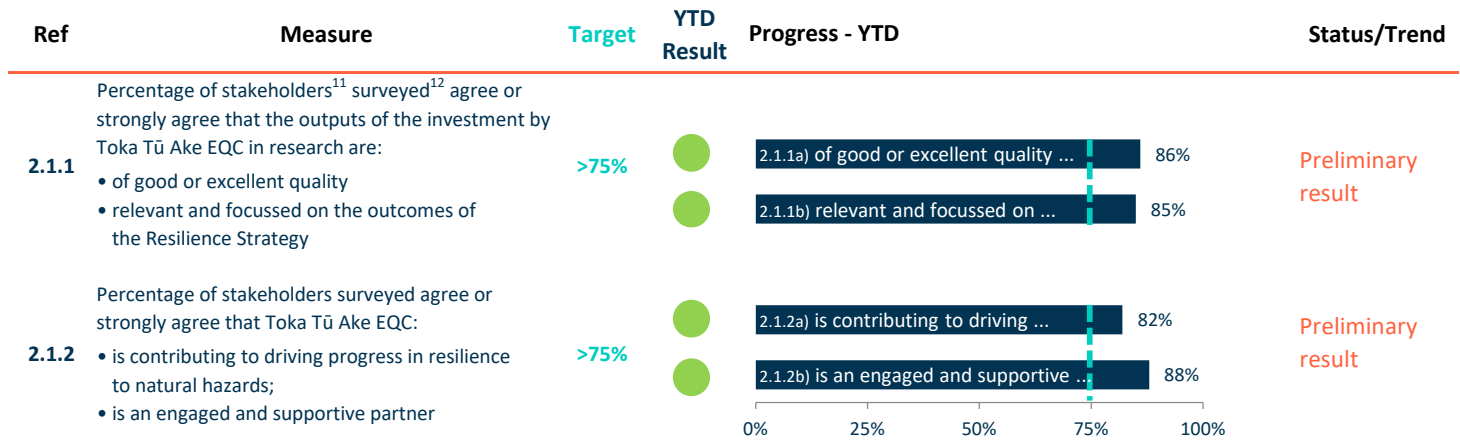
Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output Two - Resilience

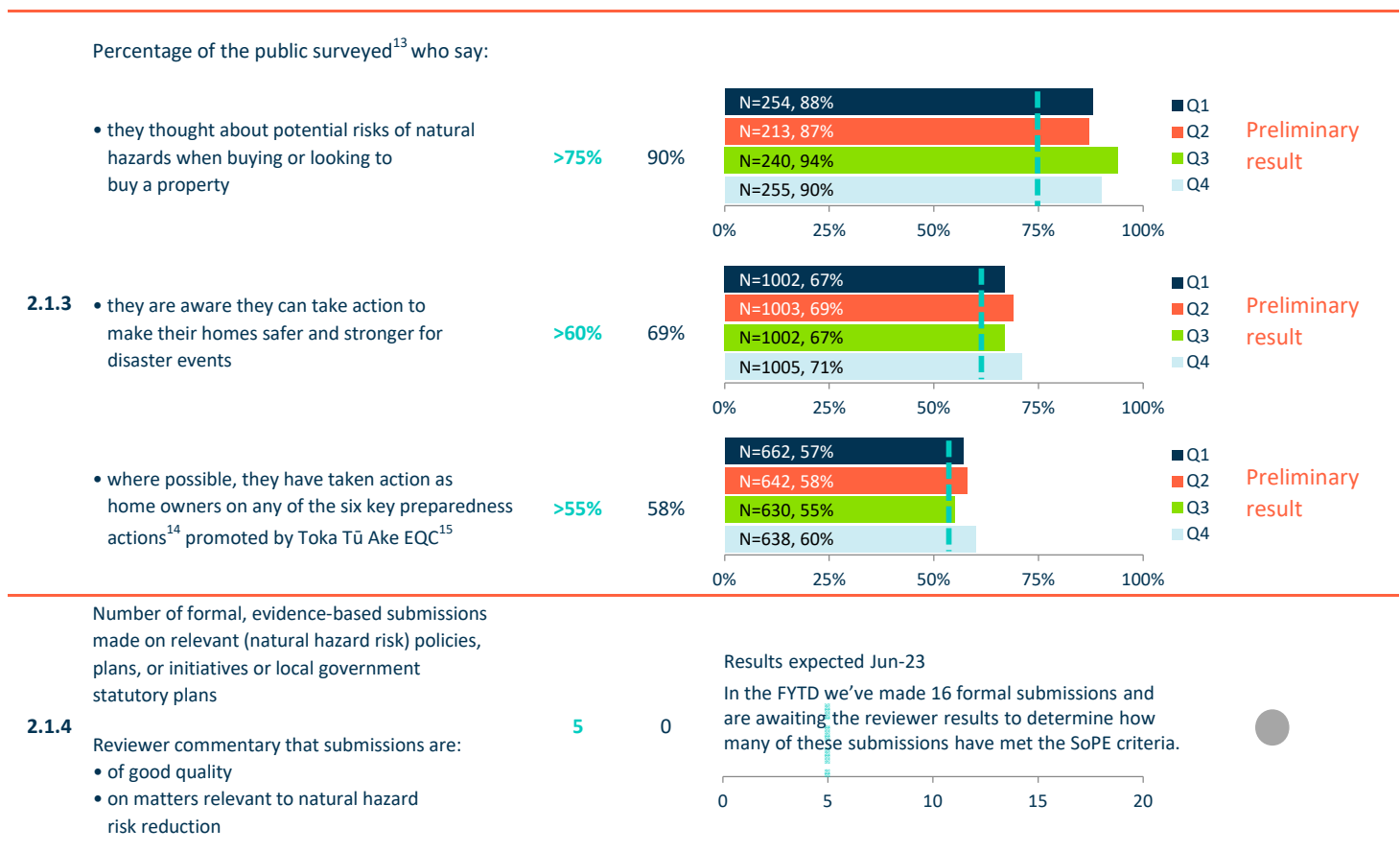
Output 2.1 - A resilience programme that facilitates improved analysis and public understanding of natural hazard risk

Our **Resilience** output class, focusses on investing in science, data, loss modelling and public education to support risk-informed decision making. With strong reciprocal relationships, we disseminate this knowledge and tools to people who can make a difference - policy makers, planners, key professions and the public.

Output 2.1 | Performance measures | Quality



Output 2.1 | Performance measures | Quantity



¹¹Stakeholders include central government, local government, science and research, insurance industry, and design, planning, and construction professionals.

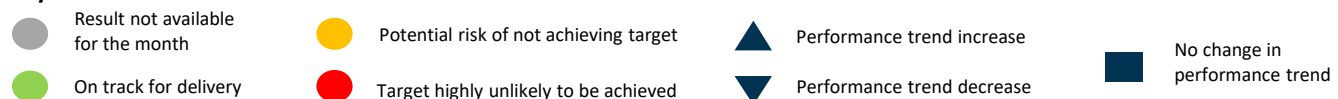
¹²Quantitative surveys are undertaken by Research First Ltd, an independent organisation.

¹³Quantitative surveys are undertaken by A C Neilsen, an independent organisation.

¹⁴The key preparedness actions are secure tall furniture, secure hot water cylinder, remove or replace hazardous chimneys, secure foundations, know how to turn off mains gas, and know how to turn off mains water.

¹⁵This action measure is calculated by summing the count of people who said 'yes' to each of the six actions, divided by the sum of the count of eligible people who answered for each action (excludes those who said not applicable).

Key:









Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output Two - Resilience





Output 2.2: Innovating through technology to enhance loss modelling and public understanding of natural hazard risk

Performance measures

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
	Deliver the following milestones for loss modelling:				
2.2.1	• Implement the new National Seismic Hazard Model in PRUE ¹⁶	as per milestones		Implementation of the National Seismic Hazard Model and new earthquake fragility models in PRUE will not be completed within this financial year.	
	• Implement new earthquake fragility models in PRUE				
	• Agree a forward loss modelling strategy with GNS and NIWA				

Commentary

This activity will not be completed by 30 June. This is due to a combined outcome of GNS resource diversion to the cyclone recovery, Tonkin & Taylor needing to do more work on liquefaction hazard modelling, and delays in agreeing a contract with GNS. Management will keep the Loss Modelling and Risk Financing Board sub-committee (MORF) informed on delivery timeline.

	Deliver the following milestones for the Risk and Resilience Portal:				
2.2.2	• Establish an online register that provides the public with information on Toka Tū Ake EQC claims for individual residential properties	as per milestones		Refer to commentary	
	• Stage two of the Portal is costed and signed off by the Toka Tū Ake EQC Board				








Commentary

The Natural Hazards Portal is in the final stages of development, and a soft launch is planned for July. Formal approval to release the Portal is being considered at the Toka Tū Ake EQC Board meeting on 29 June.

Development of the stage 2 business case has commenced. The Toka Tū Ake Board have agreed that this will now be presented in February 2024.

¹⁶PRUE is based on the RiskScape® risk modelling software developed by GNS and NIWA.

Key:

	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		


Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output Three - Risk Financing


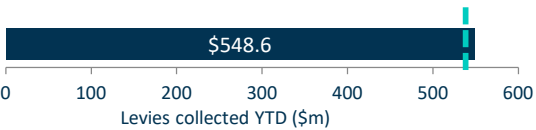



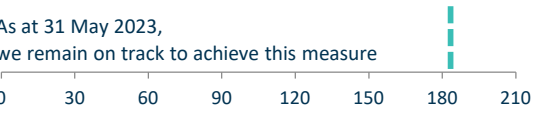

Output 3.1: Maintain a reinsurance programme that supports Toka Tū Ake EQC's delivery of affordable residential natural disaster insurance protection

Our **Risk financing** output activities are guided by our understanding of the Crown's balance sheet risk appetite and rebuilding the NDF. Purchasing reinsurance transfers an agreed amount of natural disaster risk to offshore capital providers, thereby reducing the concentration of New Zealand's financial exposure to future natural disaster events.








Performance measures

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
3.1.1	Reinsurance protection for 2023-2024 is obtained on terms that assure continuity of coverage for all perils, at rates that are lower than the Crown's cost of capital	01 June 2023		Not yet reportable - annual measure	
3.1.2	Annual consultation with the Crown on risk appetite occurs prior to purchasing reinsurance for 2023-2024	as per measure		Not yet reportable - annual measure	
3.1.3	An annual review of the risk financing strategy is conducted	30 June 2023		Not yet reportable - annual measure	

Output 3.2 - Managing the NDF

3.2.1	The level of levies collected compared to annual financial budget	100%			
3.2.2	The NDF is managed in accordance with directions from the Minister	100%		The management of the NDF remains compliant with Ministerial Direction as at the end of Q3 FY22-23.	
3.2.3	The value of the NDF is rebuilt (assumes fewer than 4,500 new claims in addition to Canterbury reopens)	>\$185m			

Key:



	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

Output Four: Readiness for an event

Readiness is about ensuring Toka Tū Ake EQC and its partners have the right capability and capacity in place to support New Zealanders, should we be required to respond to an event today. We do this by ensuring we have the right model in place to respond to a wide range of events, running scenario exercises, planning for business continuity and identifying areas for improvement.



Performance measures¹⁹ | Quantity

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
4.1	Toka Tū Ake EQC will continue to conduct scenario exercises that will demonstrate that Toka Tū Ake, with insurers and other key recovery agencies, can respond to a significant natural disaster up to 100,000 claims			Refer to commentary	

Target: Independent evaluation reviewing our exercises to ensure they are fit for purpose by 30 June 2023.

Comment



To validate scalability, Toka Tū Ake EQC has reviewed insurer event response and surge plans. These plans outline how individual Insurers will scale to achieve their expected share of up to 100,000 customer claims. Toka Tū Ake EQC has been advised that there is contingent capacity to scale to 100,000 claims per year based on Insurers planned approach to surging resources. This is based primarily on Insurers using Third Party Administrators (TPAs) for some claim management services. Both Insurers and TPAs can leverage significant national and global staff to meet surge demands before needing to recruit. Being able to surge staff to appropriate levels is the primary determinant to achieving this measure. With effect Monday 3 July 2023, QBE will join our claims model partnership.

4.2	To support co-ordinated insurance response and recovery activities, by 30 June 2023 Toka Tū Ake EQC (with its partners) has developed two event response strategies that cater to a range of natural disaster perils that Toka Tū Ake EQC covers			Refer to commentary	
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Target: Two event response strategies developed by 30 June 2023.

Comment

A volcanic eruption working group, across Toka Tū Ake and Insurers finalised a proposed response strategy for a Mt Taranaki volcanic eruption scenario. The response strategy has been approved by NDRM governance groups and the Board endorsed the volcanic eruption strategy and the direction of travel for the resilience strategy. A North Island weather event strategy is being developed by Toka Tū Ake EQC with minimal Insurer participation as they are busy with event responses. It is expected this new response strategy will have been through NDRM governance by June 2023.








4.3	NDRM systems are analysed and process and data exchange enhancements are agreed between Toka Tū Ake EQC and insurers to ensure scalability and robustness of the NDRM.			Refer to commentary	
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Target: Achievement of target by 30 December 2022.

Comment








Achieved. The Partnership Development Plan (PDP) agreed with each of our insurer partners articulates planned data exchange enhancements.

Key:

 Result not available for the month	 Potential risk of not achieving target	 Performance trend increase	 No change in performance trend
 On track for delivery	 Target highly unlikely to be achieved	 Performance trend decrease	

Section 1 - Statement of Performance Expectation measures - monthly monitoring (cont.)

NDRM assurance quality

4.4	Moderate and high-risk issues identified through the Insurer Response Model Assurance Framework have an agreed and documented action plan to address those issues (including timeframes), and relevant actions have been completed within the agreed timeframes	95%		Moderate and high-risk issues identified through the Insurer Response Model Assurance Framework have an agreed and documented action plan to address those issues (including timeframes). As at EOM May-23, 43 of the 45 actions in the current FYTD where the due date has passed, have been completed.		
4.5	Toka Tū Ake EQC implements recommendations 5.1.3 ¹⁷ and 6.1.3 ¹⁸ from the 2020 Public Inquiry by 24 December 2022	100%		Recommendation 5.1.3 Completed		
				Recommendation 6.1.3 Refer to commentary below		

Comment

Progress continues on implementing the remaining Toka Tū Ake EQC led Public Inquiry recommendations:

Recommendation 5.1.3

The Board received and discussed the key findings of the Kaikōura/Hurunui research which will be shared with key external stakeholders before being published on our website in early June. This brings to a conclusion the implementation of this recommendation.

Recommendation 6.1.3








The Risk and Resilience Portal's overall intent is to provide homeowners with public education on natural hazards and natural hazard risk. Phase one which will make Toka Tū Ake claims data available, is on track for release and the Board will make a final "go-live" decision on this at its meeting on 29 June.

4.6	New Zealanders have increasing trust and confidence in Toka Tū Ake EQC			Not yet reportable - annual measure Result expected in Jun-23		
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¹⁷Public Inquiry recommendation to conduct a detailed assessment of the impacts of cash settlement of claims in the Kaikōura/Hurunui earthquake, including long-term housing stock quality impacts.

¹⁸Public Inquiry recommendation to establish an online register that provides EQC information on claims for individual residential properties that are free and simple to use for prospective home buyers. See also measure 2.2.2.

Key:

	Result not available for the month		Potential risk of not achieving target		Performance trend increase		No change in performance trend
	On track for delivery		Target highly unlikely to be achieved		Performance trend decrease		

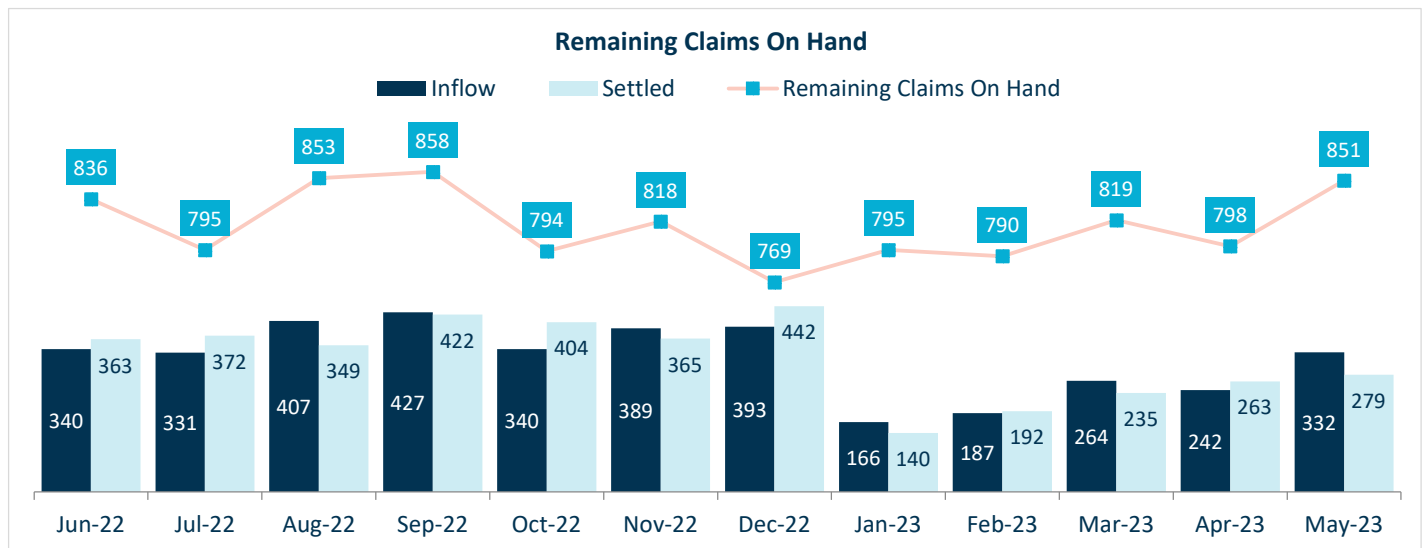
Section 2 - Canterbury

During May, 279 claims were settled, offset by inflow of 332 claims. At month end we have 851 open Canterbury claims on hand (cf. 798 at EOM Apr-23), an increase of 53 from last month.

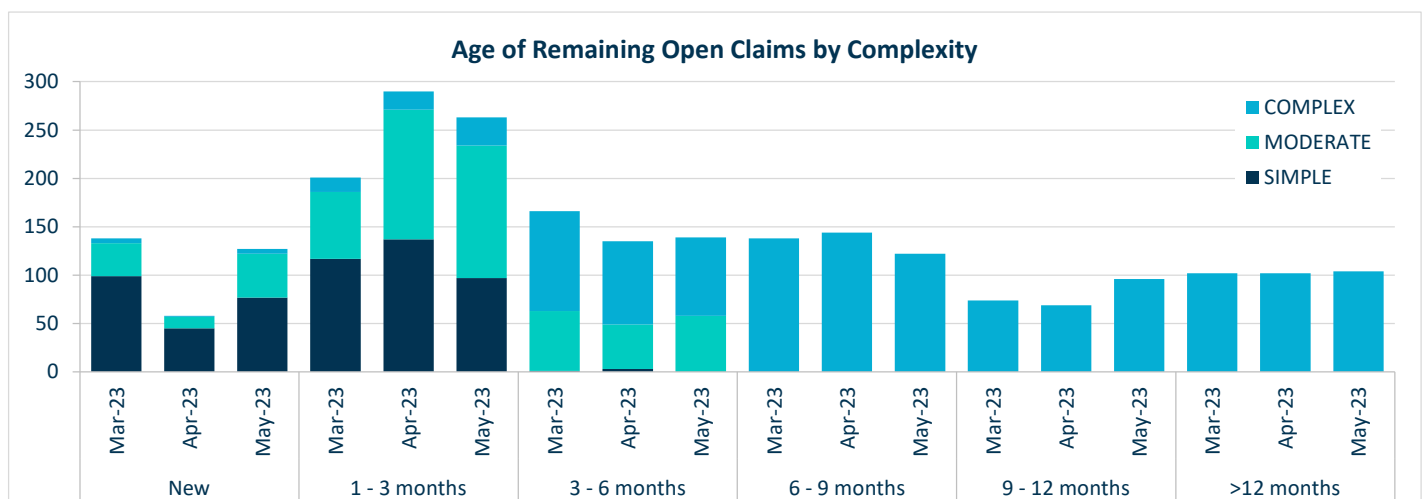
In terms of complexity, sampling of May inflow shows that just under 74% are categorised as 'simple' claims ie. settled or forecast to settle by EOM August-23. A further 23% are classified as of standard complexity (3-6 month forecast duration). May outflow, shows that 76% of claims are closed within 3 months of reopening (cf. 65% as at EOM Apr-23), while 5% of outflow were 'aged claims' (claims older than 12 months). The age profile of remaining claims reveals that just under 46% are <3 months old while aged claims (claims >12 months old) account for just over 12%. Missed damage remains the top reopen customer-initiated category, accounting for approximately three quarters of this month's inflow, with drainage/plumbing related reasons the top contributor to this category.

The focus of our **Aged Claims Strategy** remains the continued reduction of both our 'aged claims' population (claims older than 12 months) and its proportional representation across all open Canterbury claims. In the month ending 31 May, our aged claims population increased by 2 to 104, representing 12.2% of all open Canterbury claims. While the volume remains unchanged, it is worth noting that this is the result of a neutral effect created by the settlement of aged claims off-set by new aged claims entering the population. The group wide focus on aged claims continue along with the pre-emptive focus on claims in the preceding age brackets aged 6-9 and 9-12 months. All aged claim settlements are diligently monitored.

With effect February 2023, claims that have been reopened for the purposes of minor works payments, which are purely administrative reopens, are now excluded from reported volume counts. The exclusion of claims reopened for this administrative purpose account for the lower volumes reported for February. This exclusion will also be visible in lower volumes reported for consequent months.



The 279 claims settled this month includes 7 claims open in May, that are now subject to an application for Government support for repair of on-sold over cap properties ('on-sold claims', an open total 949 of which are excluded). A further 6 SRES MOU claims were settled, 6 claims settled for minor works, and 15 open claims reassigned to Claims Assurance.



Settlement of aged claims continues to be a key priority for our settlement teams. Claims aged > 12 increased by 2 in May to 104, claims aged < 3 months increased by 9% to 390 (cf. 348 last month), and claims aged 3 - 12 months collectively increased by 9% to 348 (cf. 357 last month).

Section 2 - Canterbury (cont.)

Open Canterbury Claims by Reopen Reason

Missed Damage, 73.4%

Claim has been reopened as the customer has concerns regarding additional damage on previously scoped or unscoped elements and requires review and assessment.

Customer Complaint, 1.6%

Claim is reopened due to formal expression by the Customer of dissatisfaction with the management of the claim.

Additional Payment, 5.3%

Claim has been reopened to make additional payment/s to settle Natural Disaster Damage in accordance with EQC Act, and any other payments required to support resolution of the claim.

Requested information received from customer, 0.4%

Claim is reopened as the Customer has returned with information previously requested by EQC to progress the claim.

**Repair Methodology, 7.3%**

Claim has been reopened as the customer has concerns regarding elements of the repair methodology* or strategy that was recommended or followed, to settle natural disaster damage in accordance with EQC Act.

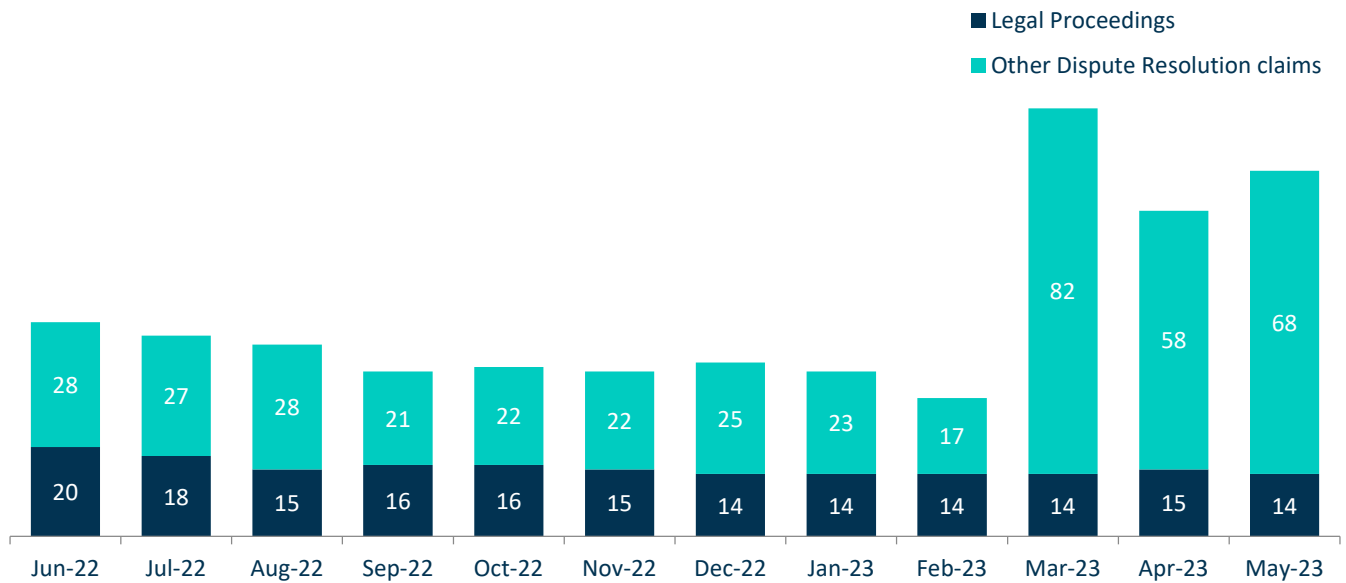
* Methodology: determining a repair strategy for damage relating to Natural Disaster using appropriate qualified specialist assessments.

Repair Quality, 11.9%

Customer has identified defects or quality issues with repairs previously completed and managed by EQC* that need to be assessed to settle Natural Disaster Damage in accordance with EQC Act.

*Note: Issues with repairs managed by the customer following cash settlement need to be resolved directly with the contractor by the customer.

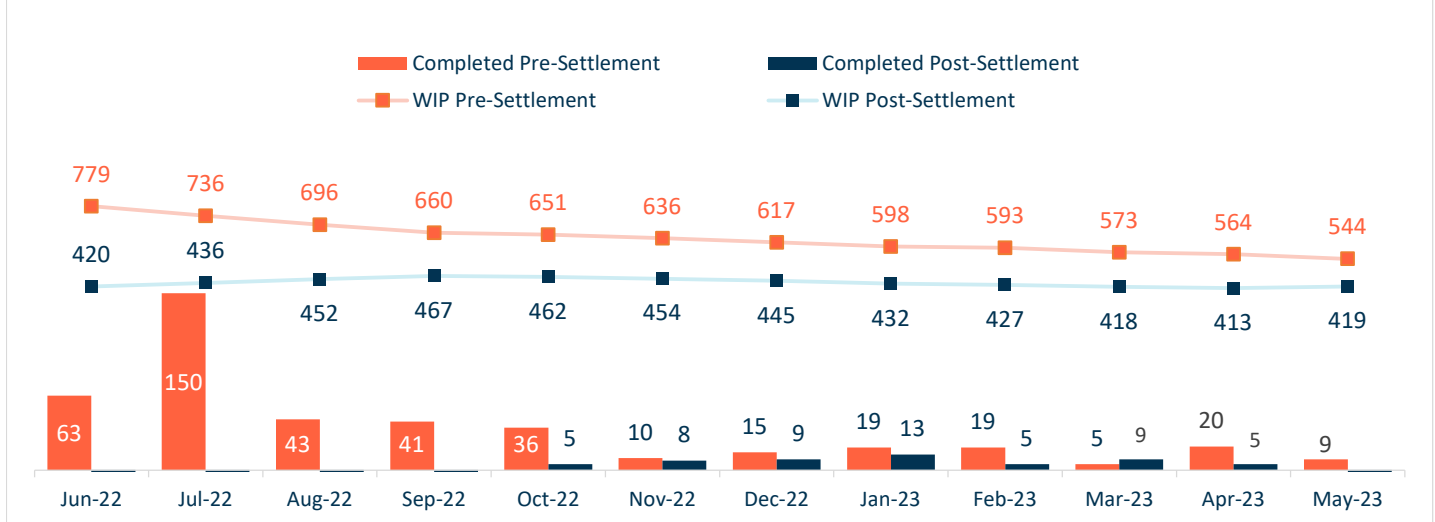
Claims in Dispute



As at 31 May, we have 14 Canterbury claims that are subject to legal proceedings (cf. 15 at EOM Apr-23). Our population of other claims requiring dispute resolution currently stands at 68 (cf. 58 at EOM Apr-23).

Section 2 - Canterbury (cont.)

Progress of On-sold Over-cap Expressions of Interest (EOI)



Applications (expressions of interest - EOIs) for government support to repair On-Sold Over-Cap properties closed in October resulting in nil inflow from Nov-20.

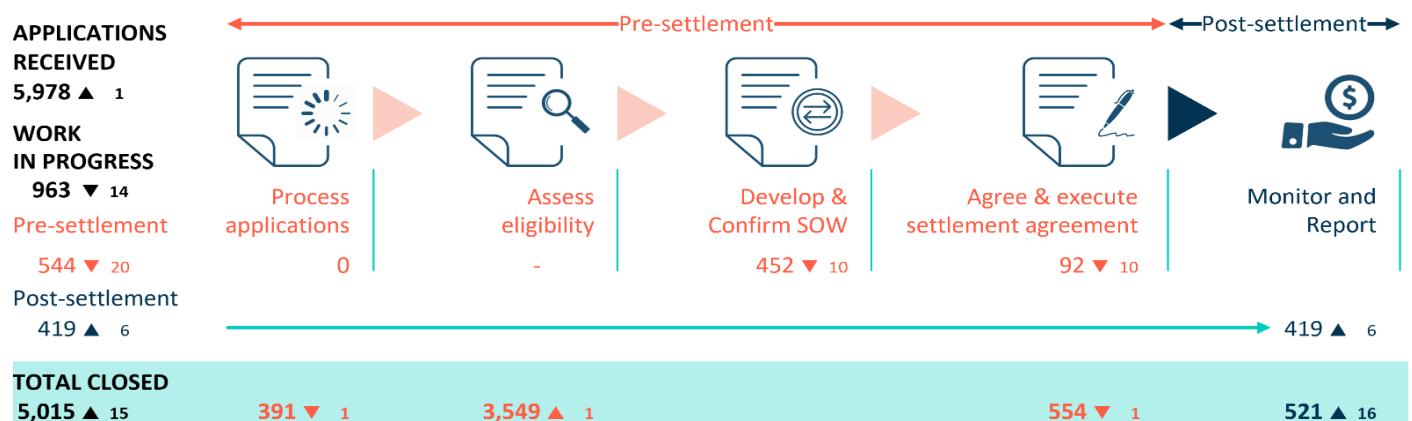
The chart above plots the flow of On-Sold EOIs through the value chain. To date, we have completed the assessment of 5,434* applications ('total closed' (5,015) + 'WIP post-settlement' (419)) of which:

- 1,494 have received an On-Sold settlement agreement or have been settled without the need to pay Crown funds ('Completed - EQC Payment' (554) + 'Monitor and Report' (940));
- 767 have been transferred to Toka Tū Ake EQC operations to be managed as these applications are not likely to exceed the EQC cap, or do not fit the On-Sold eligibility criteria; and
- 1,036 have been closed due to insufficient information following our campaign to contact homeowners requesting additional information from customers to assess their eligibility and demonstrate they have additional damage.

At month end, and now including post-settlement, our WIP includes:

- Pre-settlement** - 544 EOIs on hand that are being reviewed for eligibility or are being managed through our On-Sold assessment/ settlement process ('Pre-settlement'), including 85 Awaiting Agreements with Customers.
- Post-settlement** - 419 (refer to reporting change notation above for definition).

* These numbers exclude applications with status of 'Awaiting Agreement - Customer', as these applications are now being treated as WIP (Agree and execute settlement agreement).

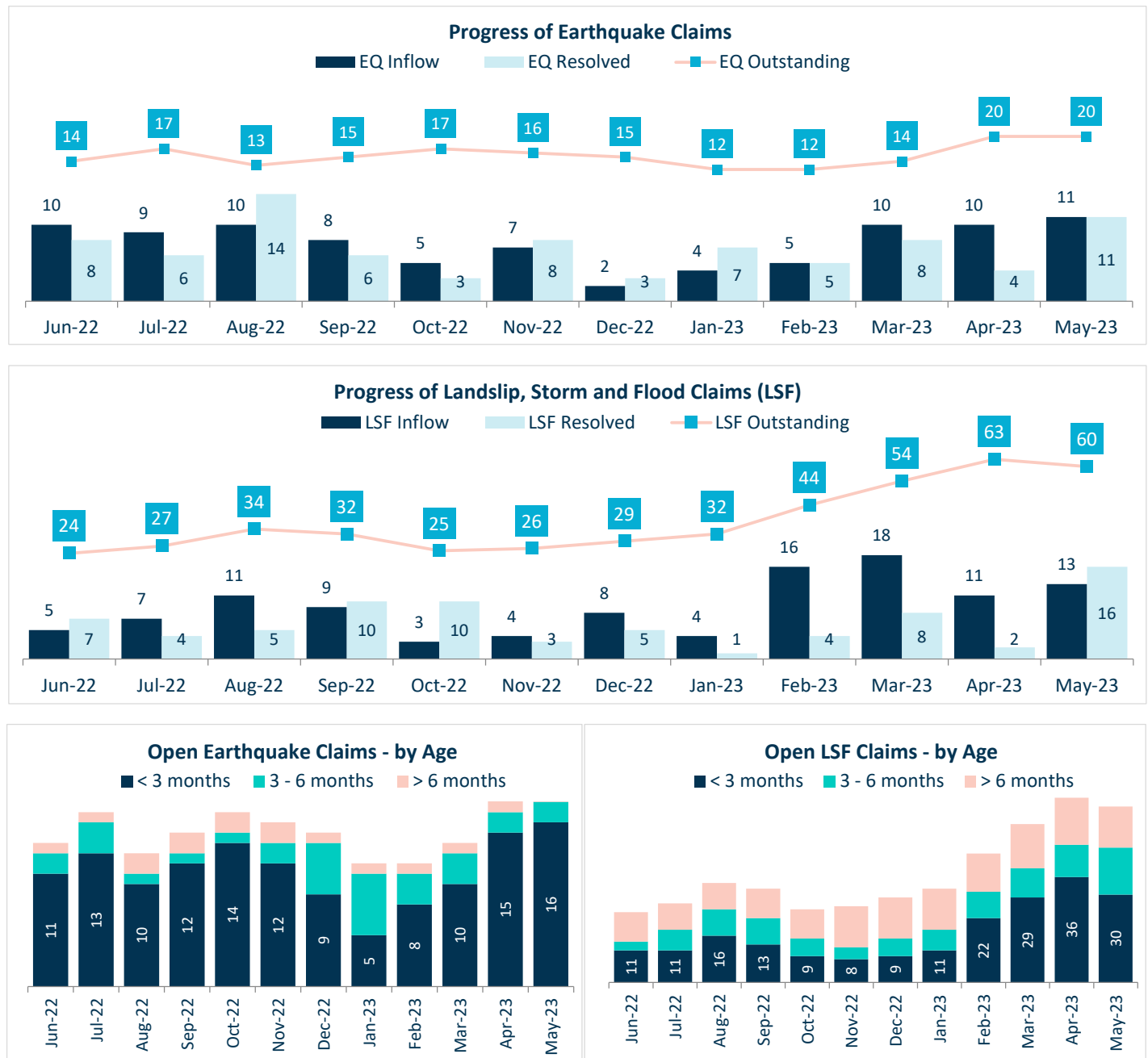


SOW - Scope of Works

Section 3 - Other Natural Disaster Events (Excluding Canterbury/Kaikōura)

This section provides details of claims that did not result from the Canterbury or Kaikōura earthquake events.

Inflow across May included 24 new and reopened claims (cf. 21 for Apr-23), with a loss event type split of 46% Earthquake (EQ) related and 54% Landslip, Storms and Flood (LSF) related.



Note: Inflow refers to claims lodged as well as reopened

Claims subject to management under the Natural Disaster Response Agreement (NDRA)

As at 31 May 2023, we've received 14,088 Insurer managed claims since NDRA commencement. Overall, 83% of these claims are Landslip, Storm, and Flood (LSF) damage claims. In the FYTD, 11,697 claims have been received, largely due to weather-related events.

Of the claims received in the FYTD, 2,998 (26%) have been settled and 8,699 remain open. Across May, 833 claims were reported, including 161 EQ and 647 LSF related claims.

The Upper North Island weather events continue to contribute to new claims reported in the month. Of the 833 claims reported this month, 46% of the claims are linked to these weather events, which occurred in the first quarter of 2023.

During May, Auckland and parts of the upper North Island experienced flooding caused by severe and concentrated rainfall, after record rain in late January this year, and again following Cyclone Gabrielle in February. In Auckland, a state of local emergency was declared by the mayor, in response to the threat of flooding and landslides caused by very heavy rainfall on 09 May 2023. Weather events generated the majority of claims with a loss date in May-23 (234 claims).

Section 4 - Resilience

Progress summary

On our Resilience Three Year Priorities (2019-22)

Reporting on the progression of our Resilience Three Year Priorities is provided on a quarterly basis

The quarterly frequency of our progress reporting takes into account that the nature of the work undertaken to progress our *Resilience Three Year Priorities* is more suited to quarterly progress reporting. Our next quarterly update will be provided in the Toka Tū Ake EQC Performance Dashboard - June 2023.

The following priorities are what we'll be reporting progress on each quarter.



Coordinated & targeted
Research investment



A renewed focus on the strategic value of
Data and information



Public Education
measures to raise public awareness



Accelerating the synthesis &
Translation of research outputs



Developing reciprocal
Partnerships



Perceptions of Toka Tū Ake EQC

Section 5 - Customer Focus

Under the Natural Disaster Response Agreement (NDRA), which came into effect on 30 June 2021, customers now lodge their disaster claim directly with our insurer partners who manage the settlement process on behalf of Toka Tū Ake EQC ('Insurer Managed' claims). Toka Tū Ake EQC continues to directly manage historical claims ('Toka Tū Ake EQC Managed' claims) relating to damage prior to 30 June 2021.

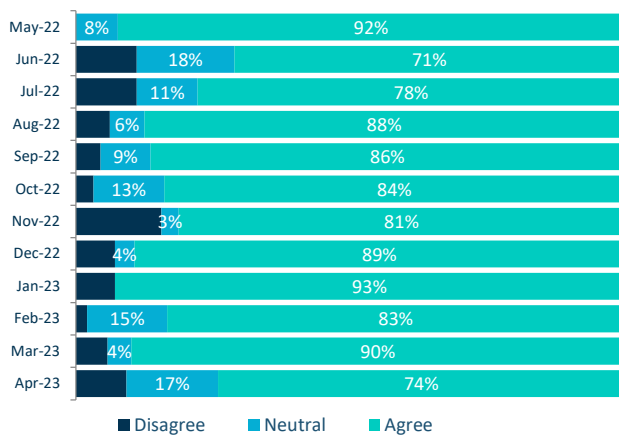
YTD results are as at 30 April 2023, as we report the YTD results one month in arrears due to the unavailability of results for the current month at the time of reporting.

Are there any significant changes to our FY22-23 customer experience SOPE measures from the previous year?

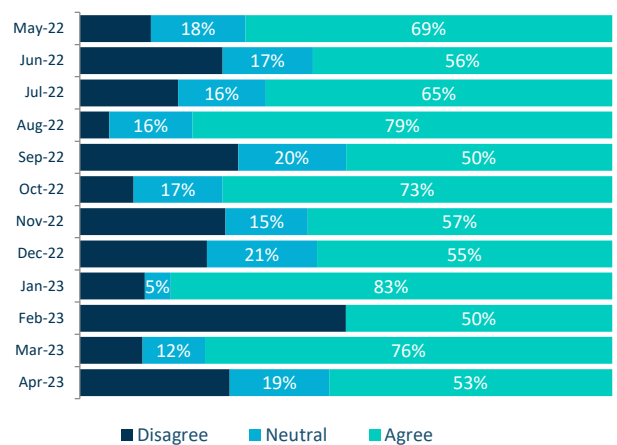
There are no significant changes. All customer experience measures remain identical to the previous year. The only changes to note is that we've consolidated a number of measures from last year into a single measure and that we've changed our SOPE reference numbers to reflect this.

Recent experiences: Transparent, fair and reasonable interactions

Canterbury SoPE 1.1.7a



Natural Disaster Events (excl. Canterbury) SoPE 1.2.4a



YTD result 84%

Target: > 70%

Trend

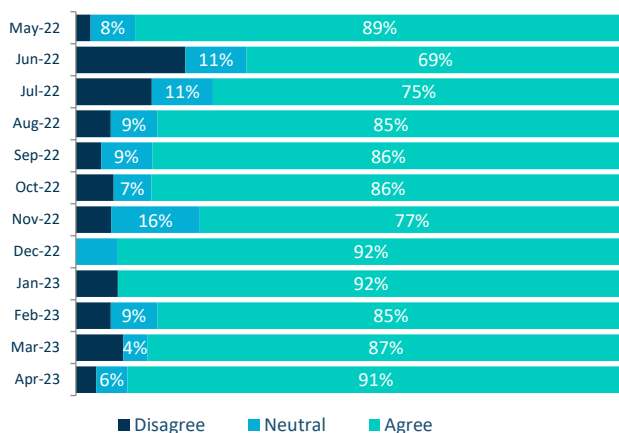
YTD result 64%

Target: > 70%

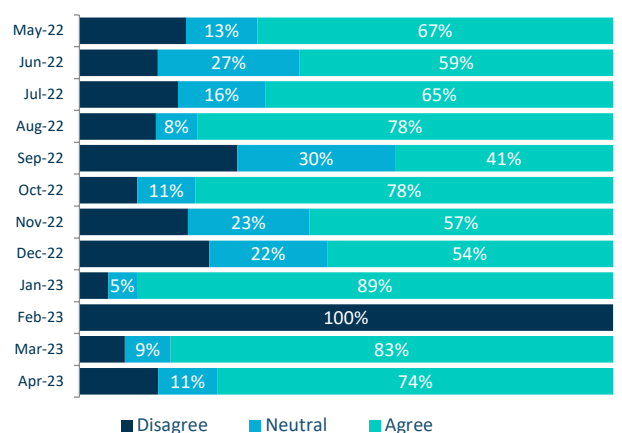
Trend

Recent experiences: Responsiveness to individual needs and situation

Canterbury SoPE 1.1.7b



Natural Disaster Events (excl. Canterbury) SoPE 1.2.4b



YTD result 86%

Target: > 70%

Trend

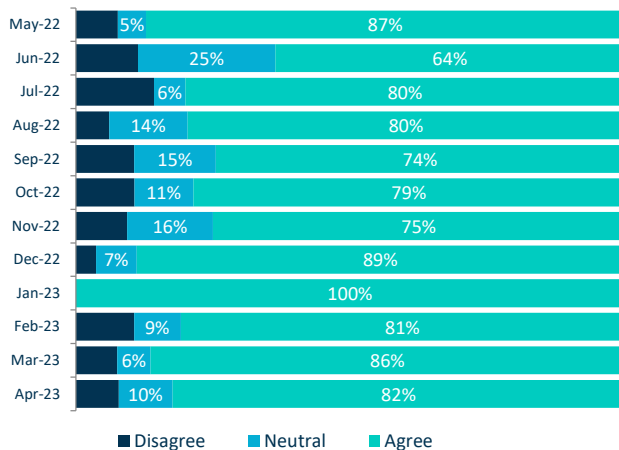
YTD result 66%

Target: > 70%

Trend

Section 5 - Customer Focus (cont.)

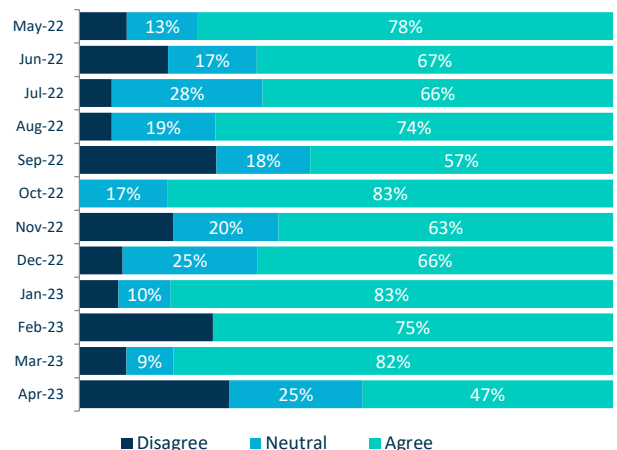
Recent experiences: Quality of communications and customer clarity on next steps

Canterbury
SoPE 1.1.7c

YTD result 82%

Target: > 70%

Trend

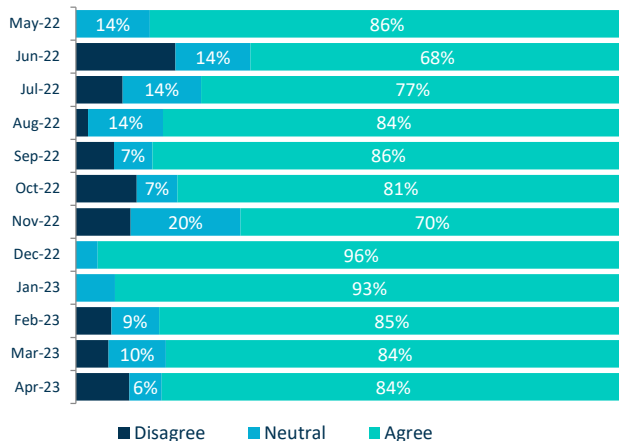
Natural Disaster Events (excl. Canterbury)
SoPE 1.2.4c

YTD result 68%

Target: > 70%

Trend

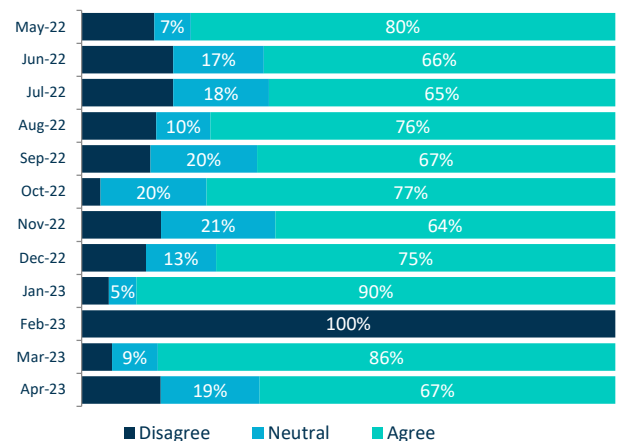
Recent experiences: Demonstrating expertise and a desire to help

Canterbury
SoPE 1.1.7d

YTD result 84%

Target: > 70%

Trend

Natural Disaster Events (excl. Canterbury)
SoPE 1.2.4d

YTD result 73%

Target: > 70%

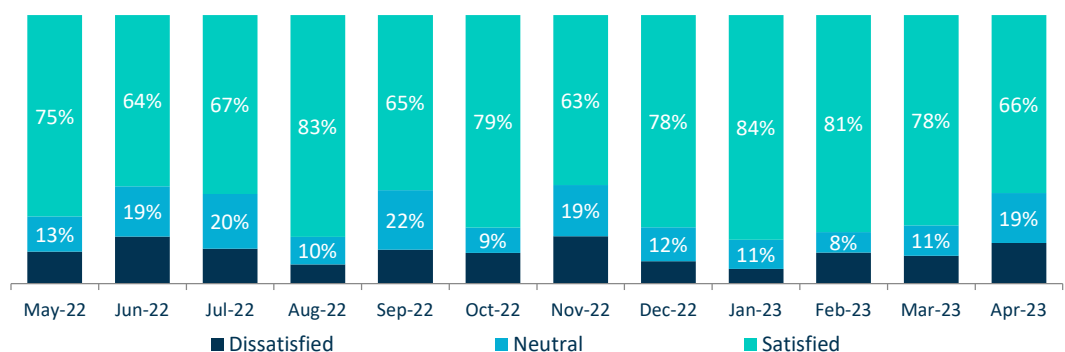
Trend

Overall claim experience

Survey question

'How satisfied were you with the overall quality of the service you received making the claim?'

Overall claim experience - All

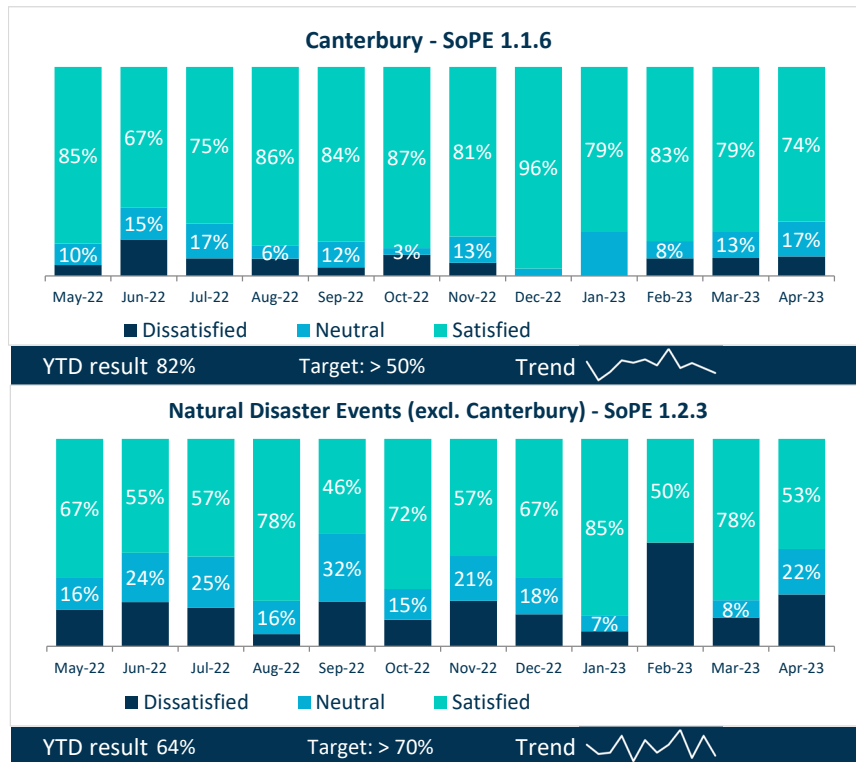


YTD result 73%

Trend

Section 5 - Customer Focus (cont.)

Overall claim experience by event response



Our Canterbury customers

Across the YTD, satisfaction levels among our Canterbury customers remains strong.

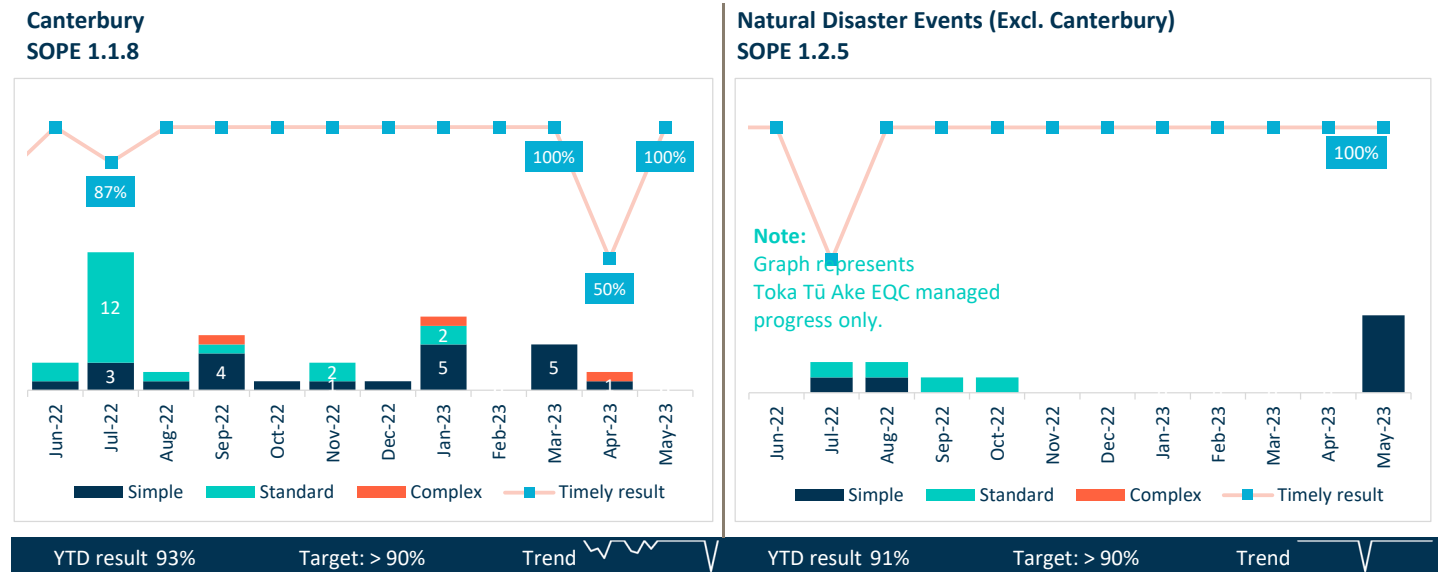
YTD results against all SoPE measures continue to track ahead of expected performance required to meet their respective targets.

Our Natural Disaster Events (NDE) customers

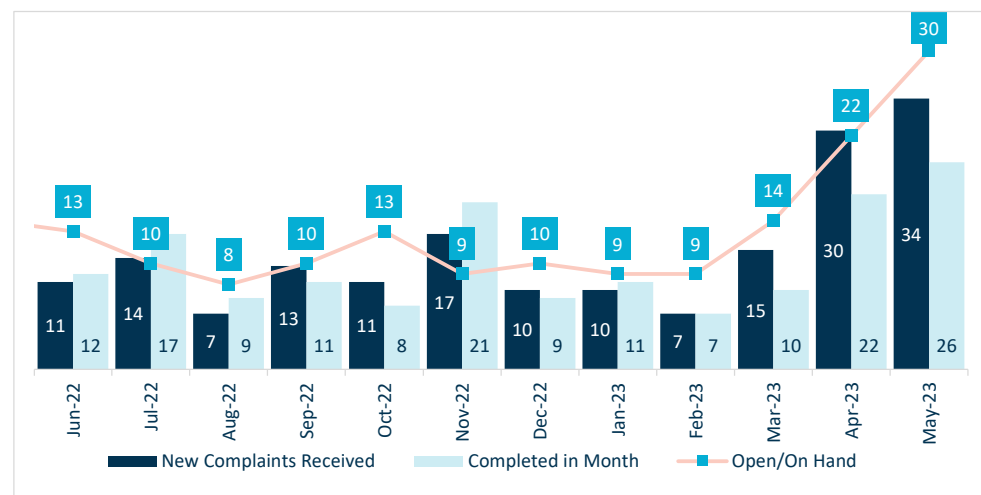
Across the YTD, customer satisfaction with their overall experience (SoPE measure 1.2.3) has dipped following a result of 53% satisfaction for Apr-23. Our YTD result for this measure is currently tracking at 64% for this measure (target is 70%).

Apr-23 results have had a mixed effect on YTD results which have declined for SoPE measures 1.2.4a-b, risen for 1.2.4c, and remained stable for 1.2.4d. Currently, only 1.2.4d is tracking ahead of expected performance required.

Timeliness of complaint resolution



Progression of customer complaints



Overall this month, we received 34 new complaints offset by the 26 resolved complaints, leaving 30 open complaints on hand at month end.

Insurer managed claims - 30 new complaints received this month and 22 resolved, leaving 26 open at month end.

Toka Tū Ake EQC managed claims - 4 new complaints received this month and 4 resolved, leaving 4 open complaints on hand at month end.

The complexity profile of our on hand complaints includes: simple (1); standard (0); and complex (3).

The categorisation of these on hand complaints includes: service related (0); process related (1); and technical (3).

Section 5 - Customer Focus (cont.)

Total call, email and post volume

	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Outbound - Inbound Ratio	10:90	13:87	10:90	9:91	12:88	11:89
Grade of Service	85%	90%	75%	79%	88%	94%
Abandonment Rate	2%	1%	4%	4%	1%	0.3%
Roll Over No Answer	28	18	89	77	12	6
Total Calls	1,323	1,577	2,346	2,402	1,633	2,013
Total Email and Post	1,252	1,224	2,464	2,662	2,195	2,322

Customer calls service

Across May, our grade of service was solid at 94% (cf. 88% for Apr-23).

Actual inbound calls for the month (N=1,798) was lower than what was forecasted for May (N=1,964).

The customer experience this month remains overwhelmingly positive at 96% (cf. 97% for Apr-23) across the 574 customers surveyed this month (cf. 416 surveyed in Apr-23).

Explained: Grade of service

Grade of service is defined as calls being answered within 20 seconds.

Explained: Customer experience rating

Customers are invited to complete a survey after every call to rate their experience on a scale of 1-7. The descriptors used for the scale are as follows:

1 and 2 = negative; 3 and 4 = neutral; and 5,6,7 = positive.

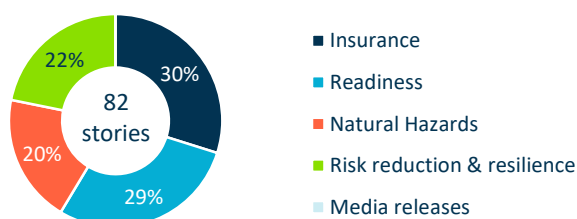
The overall rating is calculated by the total number of positive ratings divided by the total number of customers surveyed.

Section 6 - Media Coverage

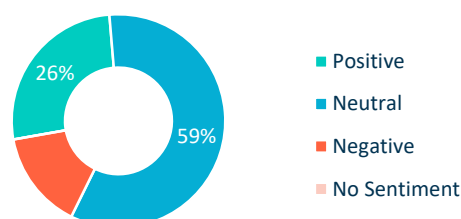
Traditional media coverage across the month

Research projects and record-high reinsurance dominated our media coverage in May. The combined positive and neutral sentiment of these stories remained steady at 85%, (59% neutral, 26% positive) despite a slight decrease in overall stories (82 down from 113 in April).

Coverage by theme across the month



Sentiment of coverage across the month



Note: To calculate the coverage volume, we count the number of theme tags that each story attracts. Some stories will have multiple theme tags assigned.

What generated coverage across the month?

19% of our overall coverage was a result of our reinsurance announcement, including catastrophe bonds being added to our reinsurance portfolio for the first time. Chief Executive Tina Mitchell spoke to NZME, Stuff, Radio New Zealand and Insurance News to expand on the benefits and how this supports us being prepared for the risks natural hazards continue to pose to our communities.

Two pro-active media releases highlighted progress in natural hazard research, funded by Toka Tū Ake EQC. The first also celebrated the winner of the Toka Tū Ake EQC/NZSEE award, which recognises significant contribution to natural hazard research. We highlighted how the winner, Dr Lucas Hogan's research (part-funded by Toka Tū Ake EQC) has led to building code improvements here in Aotearoa New Zealand and how his prize will be used to further his work.

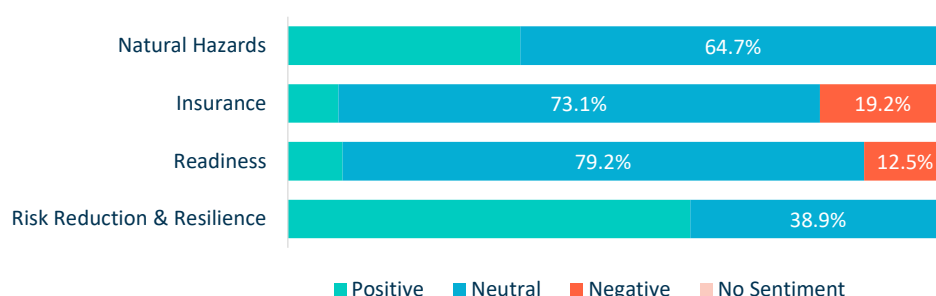
Secondly, we promoted Toka Tū Ake EQC-funded research highlighting a 'gap' in existing knowledge of multiple natural hazards occurring at once, in this case how earthquakes affect river flooding. The research has been published in a prestigious American journal, Science Advances, and our release content featured primarily on Newstalk ZB. We summarise our media activities in a regular report to the Minister Responsible for the Earthquake Commission, who was informed of this story there and expressed interest in reading more about the published research paper.

Further media coverage in May came from a Waikato Council release listing Toka Tū Ake EQC as a co-funding partner for new 3D mapping data, which will help model natural disasters and support better land use planning.

General coverage of managed retreats, post-event recovery and climate change referencing Toka Tū Ake EQC and the EQCover scheme continue to be prominent topics included in our neutral category.

Most of the negative coverage in May focused on homeowners affected by the January and February 2023 North Island severe weather events, who continue to turn to the media to express dissatisfaction with their ongoing claims, such as delays. In addition to this a small number of stories, including the On-sold class action and public letters to editors, contributed to 15% of negative coverage (up from 7% last month).

Sentiment of coverage by theme across the month



85% of our media coverage this month was either positive or neutral.

Negative coverage this month, which accounts for 15% of total coverage, continues to centre predominantly around homeowners affected by the January & February 2023 North Island severe weather events.

Educating media and the public on EQCover and our role in claims

As mentioned in our previous report, our team continues to seek opportunities to educate the media and the public.

We regularly use our responses to journalists as a chance to provide broad details of EQCover, the Natural Disaster Fund, and our insurance partnership to aid understanding. We were provided with three opportunities in May, following queries from Newsroom and Stuff.

Social media reporting

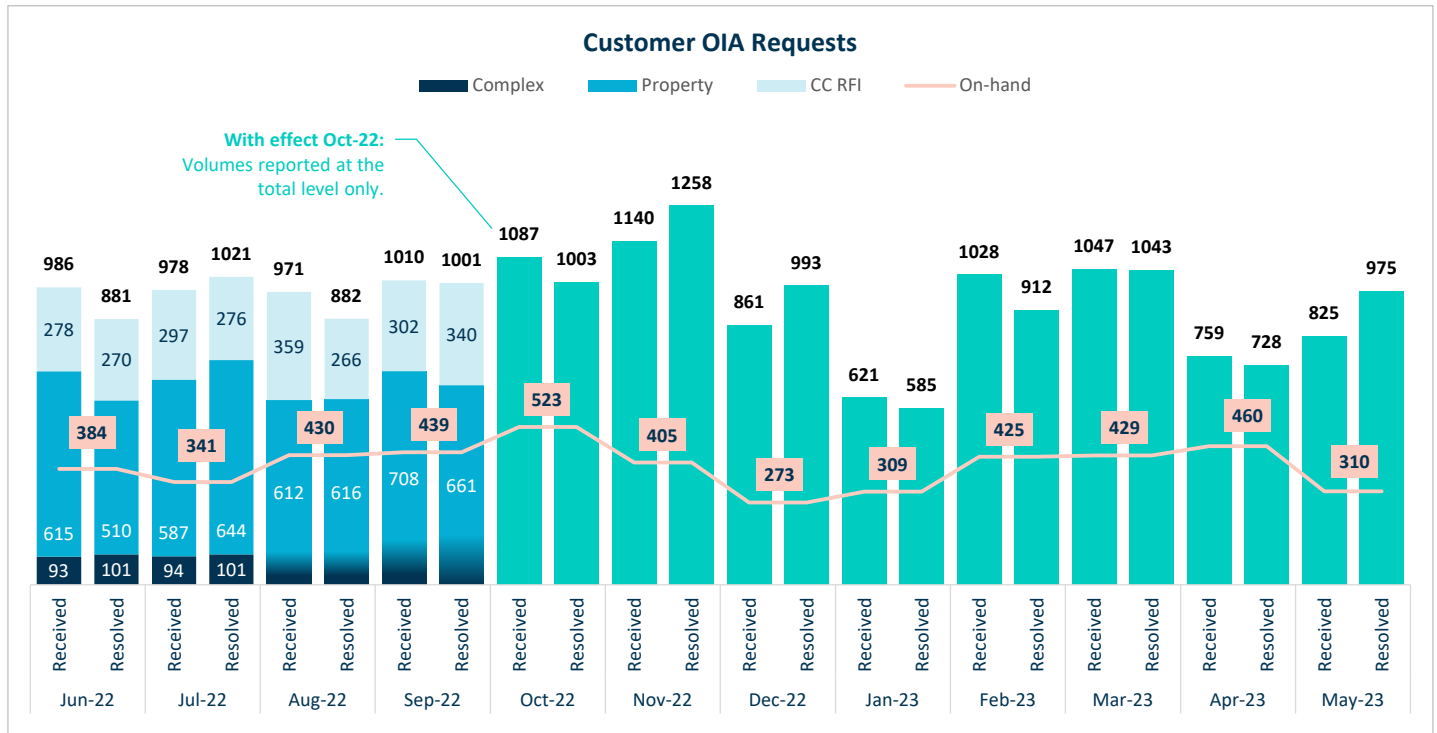
Our social media coverage reporting has been placed on hold while we work to develop a digital channels strategy that will set clear objectives and activities on social and other digital channels.

Section 7 - Official Information Act (OIA) Requests

From the start of the current financial year, reporting on customer requests for information has been widened to include all information requests we receive from customers.

Our widened reporting encompasses two other information request workstreams. One of these workstreams is for information requests for property related files, which is processed under either section 31A of the Earthquake Commission Act 1993 or the Official Information Act 1982. The other workstream covers information requests that our Contact Centre are able to resolve directly - in the chart below this workstream is referred to as 'CC RFIs'.

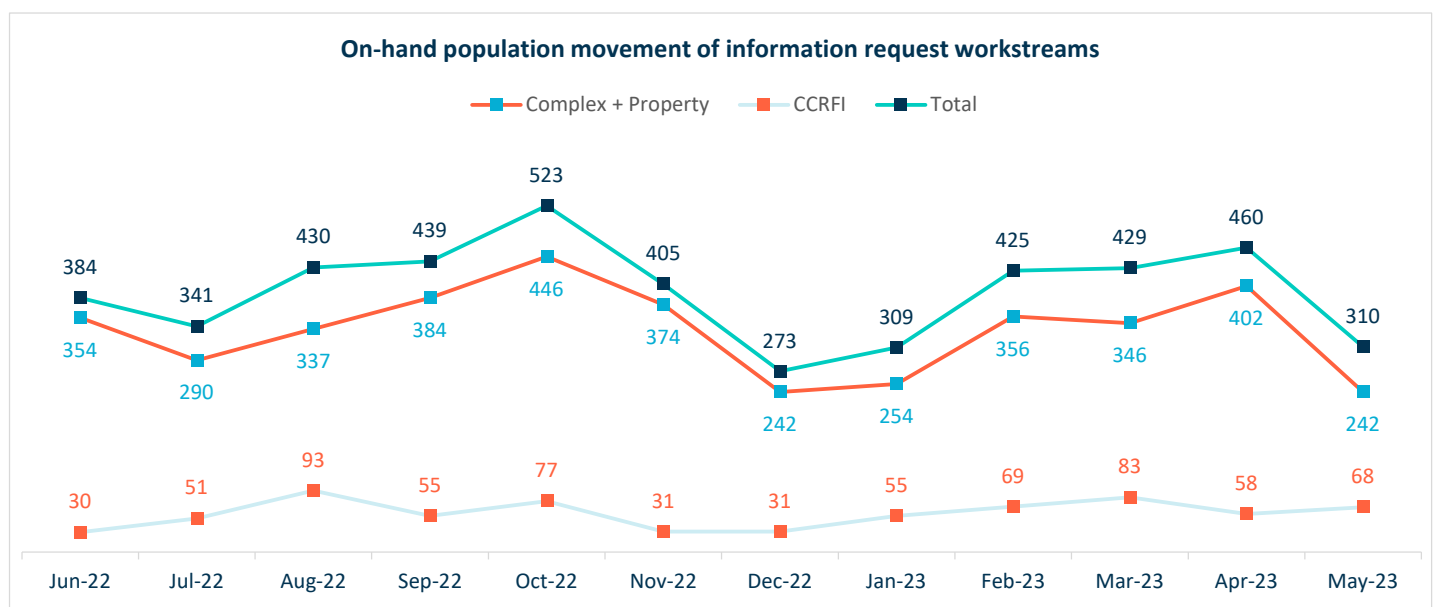
From October 2022, we have been reporting received and resolved volumes at the total level, moving away from reporting volumes at a workstream level.



Across May, our Customer OIA and Contact Centre Teams received 825 new OIA requests (cf. 759 for Apr-23). Coupled with the 460 requests on hand from last month and resolution of 975 requests this month, we have 310 requests on hand at month end.

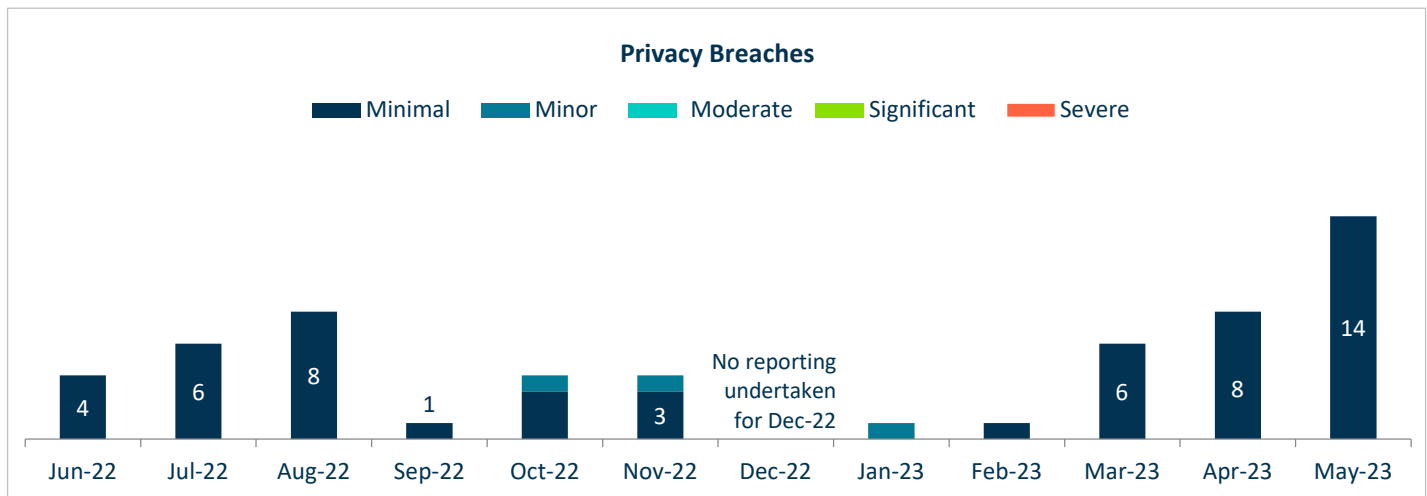
With the impending launch of the Natural Hazards Portal, preparations are ongoing to ensure we are well prepared to manage an anticipated increase in requests for information.

The chart below shows the month-on-month population movement of the three customer information request workstreams.



Section 8 - Data Protection

Across May, 14 privacy breaches (cf. 8 for Apr-23), all rated as of minimal severity, were recorded by the Risk and Compliance Team. The reported breaches were assessed against the Government Chief Privacy Officer (GCPO) categorisation system and no serious harm appears to have arisen as they are considered contained.



Privacy breaches

Across May, 14 privacy breaches were recorded (10 privacy breaches and 4 insurer breaches). All breaches reported this month were rated as being of 'minimal' severity.

Why is there an increase in privacy breaches and near misses this month?

Activity has increased throughout the privacy sphere. Our Risk and Compliance team have noted an increase in queries including an increase in Privacy Impact Assessments and Privacy Threshold Analyses. Historically, activity increases around this year and in part is due to both the public sector business cycle and recent completion of face-to-face privacy training last month.

Breach severity categories

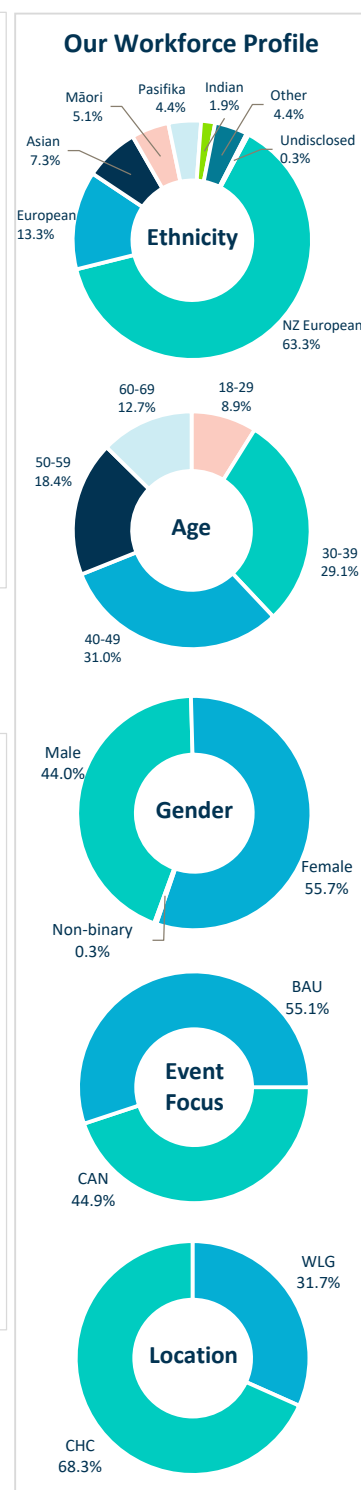
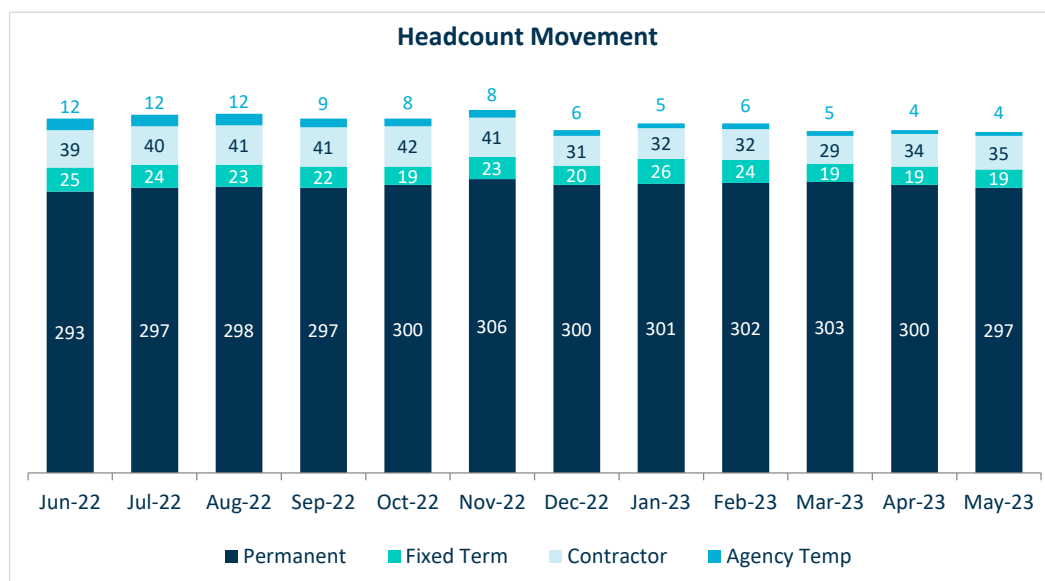
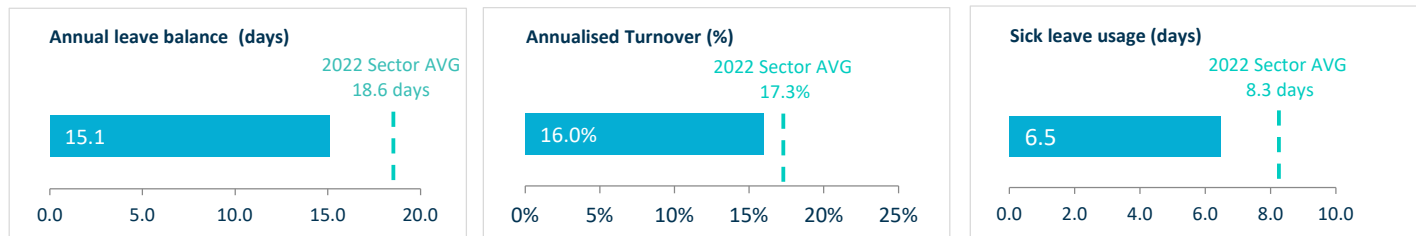
Following the new Privacy Act 2020, which came in to effect on 1 December 2020, all breaches are now assessed against the Government Chief Privacy Officer Tool (GCPO). The GCPO categorisation system allows for transparent internal and external reporting on privacy incidents, and allows for benchmarking and direct comparisons of reported incidents across government agencies. The new rating categories are: 'Minimal', 'Minor', 'Moderate', 'Significant', and 'Severe'.

Severe	Significant	Moderate	Minor	Minimal
Breach of sensitive or highly sensitive information with serious potential or actual harm. Indication of systemic failure that could undermine government systems. The incident will significantly affect the reputation of and undermine trust and confidence in the public sector. The incident will get ongoing media coverage.	Information is sensitive or highly sensitive with serious potential or actual harm. There will be measurable and ongoing negative impact on individuals and/or agencies with potential long-term loss of trust and confidence in the agency. Possible indication of systemic failure that could undermine government systems. The incident will get ongoing media coverage.	Information is not sensitive or highly sensitive. Potential or actual harm is more than minor. Customers and clients may stop using, or be reluctant to use, a service or delivery channel. The incident may get media attention or cause reputational risk due to the number of people rather than the information involved.	Small number of people are affected with minor potential or actual harm. Little or no indication of systemic problems. The incident may get short-term minor or isolated media interest.	Small number of people are affected with little or no potential or actual harm. Little or no indication of systemic problems. The incident most likely won't get media interest.

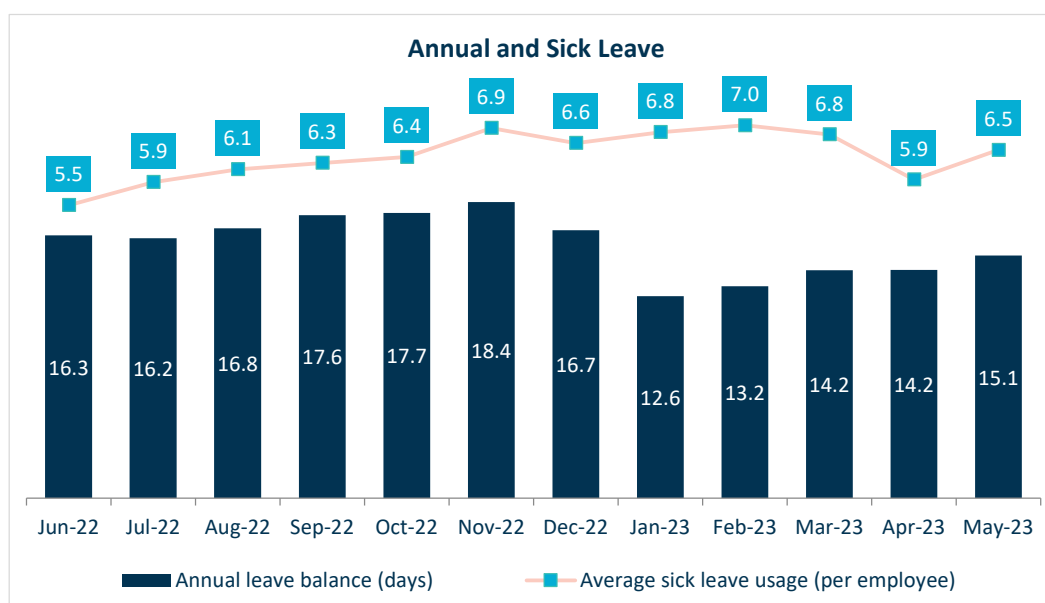
Section 9 - Our People

Across May, our permanent workforce headcount decreased by 3, while our temporary headcount remained static. During the month, our average annual leave balance increased to 15.1 days, remaining below the 2022 public sector average of 18.6 days. Average sick leave usage decreased by 0.6 days to 6.5 days and also remains below the 2022 public sector average of 8.3 days. Meanwhile, annualised turnover ('voluntary turnover') rose to 16% (cf. 13.4% in Apr-23), remaining below the 2022 public sector average of 17.3%.

Our People at a glance - Toka Tū Ake EQC's performance against Public Service Sector Averages



Across May, our permanent employee population decreased by 3 while our temporary employee population remains unchanged from last month.



As reported above, our average annual leave balance increased by 0.9 days to 15.1 days, remaining below the 2022 public sector average of 18.6 days.

In the same period, average sick leave usage decreased by 0.6 days to 6.5 days against a 2022 public sector average of 8.3 days.