

Monthly Performance Dashboard December 2022

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 overlaid by claim population movement and a broad profile of our workforce, which is updated on a quarterly basis.

Section 1 - Statement of Performance Expectation measures - monthly monitoring

Output One - Recovery after an event

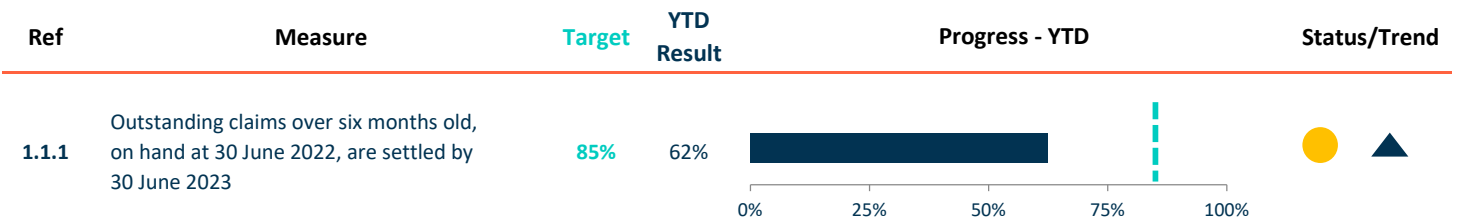
Output 1.1: Settlement of the 2010-11 Canterbury earthquake sequence remedial claims

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.

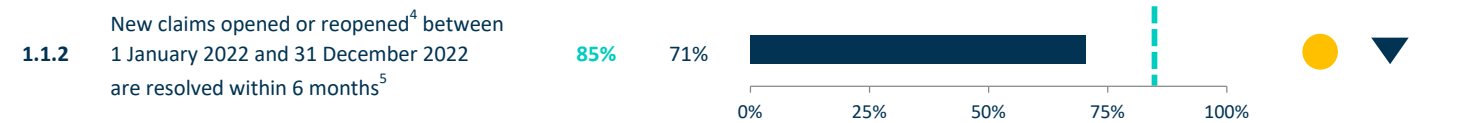
The threshold for customer satisfaction is different for Canterbury claims than it is for other claims. This is because damaged homes in Canterbury often have long and complex histories, in part reflective of past processes that have now changed. Also, for this reason, most of our customer focus measures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

Performance measures | Timeliness



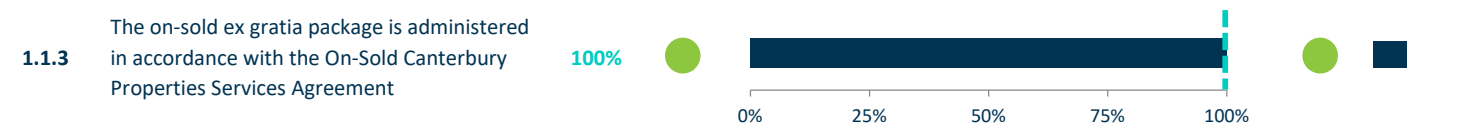
Commentary

In the FYTD, performance against SOPE measure 1.1.1 is tracking behind expected performance to meet target. To date, we have closed 174 (62%) of the 279 claims that were outstanding (over 6 months old) as at 31 December 2022, lodged during the period January-June 2022.



Commentary

In the FYTD, performance against SOPE measure 1.1.2 is tracking behind expected performance to meet target. To date, 691 (71%) of the 980 in-scope claims that were reopened in January-June 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 documentation and 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
- Target highly unlikely to be achieved
- On track for delivery
- 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

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
1.1.4	Claims managed on behalf of Southern Response are managed in accordance with the Agreement Relating to Management of Outstanding Canterbury Claims between Toka Tū Ake and Southern Response	100%	100%		● ■

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.

1.1.5	Achieve claims settlement targets, based on Southern Response settlement projections from March 2022 valuations	95%	40%		● ▼
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Commentary

In the FYTD, performance against SOPE measure 1.1.5 is tracking behind expected performance to meet target. In the FYTD, 89 (40.5%) of the FY22-23 claims settlement target of 220 covered claims, based on the Southern Response settlement projections from March 2022 valuations, has been achieved.

1.1.6	More than 50% of surveyed customers are satisfied with their overall claims experience	>50%	83%		● ▼
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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:

1.1.7	More than 70% of surveyed customers agree or agree strongly that Toka Tū Ake:				
	• was transparent and fair in all interactions	>70%	84%		● ▼
	• was responsive to their individual needs and situation during their recent claim experience	>70%	82%		● ▼
	• provided clear and concise communication, and customers were clear on next steps for their claim	>70%	77%		● ▼
	• acted as experts with the skills, knowledge and desire to help them	>70%	80%		● ▼

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.

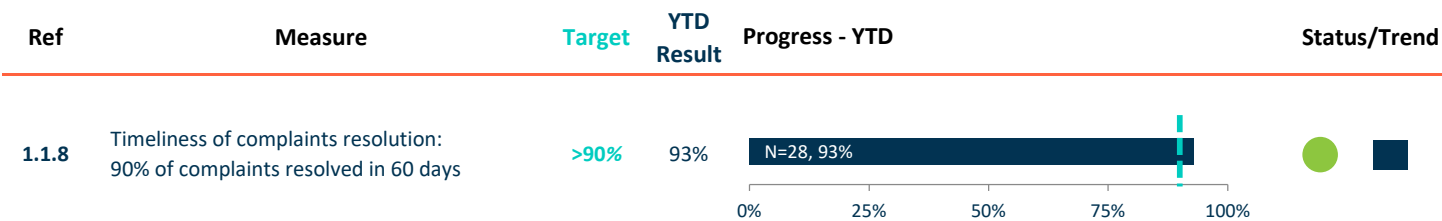
Key:

- Result not available for the month
- Potential risk of not achieving target
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- 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.)

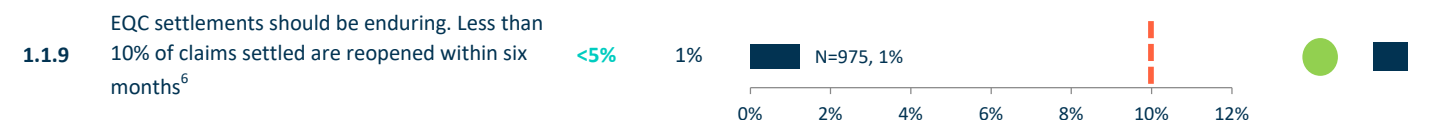
Output One - Recovery after an event (cont.)

Performance measures | Timeliness (cont.)



Commentary

In the FYTD, performance against SOPE measure 1.1.8 is tracking ahead of expected performance to meet target. Of 28 complaints relating to Canterbury claims received to date, 26(93%) have been resolved within the target timeframe.



Commentary

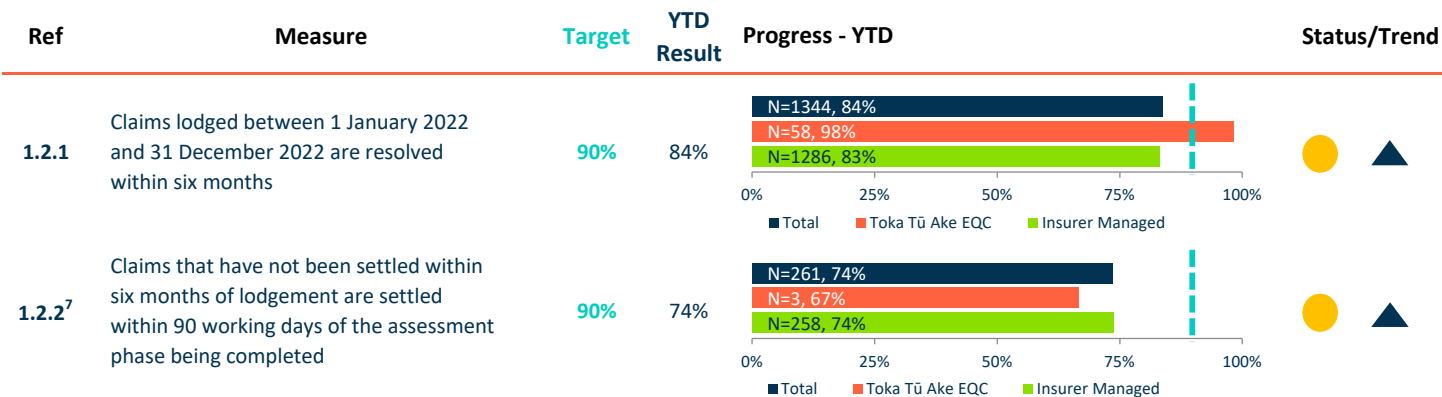
In the FYTD, performance against SOPE measure 1.1.9 is tracking ahead of expected performance to meet target. Of the 975 in-scope claim closures during January-June 2022, 12 claims (1%) have since been reopened.

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, 1126 (84%) claims of the 1344 in-scope claims lodged during January-June 2022 were resolved 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 30 June 2023.

In the FYTD, performance against SM 1.2.2 is tracking behind expected performance to meet target. For Toka Tū Ake EQC managed claims, 2 (67%) of the 3 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 258 claims within scope this month. Of these, 190 (74%) have met the measure with 68 not passing, as the claim remained open or closed more than 90 days after the assessment phase.








Explained: 'Insurer Managed' and 'Toka Tū Ake EQC Managed' claims

Under the NDRM, 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'). Toka Tū Ake EQC continues to directly manage historical claims ('Toka Tū Ake EQC Managed') relating to damage pre 30 June.

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

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

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.)

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
1.2.3	More than 70% of surveyed customers are satisfied with their overall claims experience	>70%	60%		● ▼
1.2.4	More than 70% of surveyed customers agree or agree strongly that Toka Tū Ake EQC (or its partner):				
	• was transparent and fair in interactions	>70%	62%		● ▼
	• was responsive to their individual needs and situation during their recent claim experience	>70%	61%		● ▼
	• provided clear and concise communication, and customers were clear on next steps for their claim	>70%	67%		● ▼
	• acted as experts with the skills, knowledge and desire to help them	>70%	68%		● ▼

Commentary

In the FYTD, performance against SM 1.2.3 is tracking behind expected performance required to meet target with a YTD result of 60%. (cf. 62% Oct-22)
 SM 1.2.4a - *transparent and fair interactions* is tracking behind expected performance required to meet target with a YTD result of 62%. (cf. 65% Oct-22)
 SM 1.2.4b - *responsiveness* is tracking behind expected performance required to meet target with a YTD result of 61%. (cf. 63% Oct-22)
 SM 1.2.4c - *clear and concise communications* is tracking behind expected performance required to meet target with a YTD result of 67%. (cf. 69% for Oct-22)
 SM 1.2.4d - *acted as experts with knowledge* is tracking ahead of expected performance required to meet target with a YTD result of 68%. (cf. 71% for Oct-22)

1.2.5 ⁸	Timeliness of complaints resolution: 90% of disputes resolved in 60 days or within such longer period as the complainant and private insurer agree	>90%	94%		● ▼
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Commentary

In the FYTD, performance against SM 1.2.5 is ahead of expected performance to meet target, with an overall YTD result of 94%.
 Of all in-scope claims for this measure:

- 83% of Toka Tū Ake EQC-managed claims have been resolved within 60 days (N=6); and
- 95% of Insurer managed claims have been resolved within 60 days (N=43).

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

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
- 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 One - Recovery after an event (cont.)

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

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
1.2.6 ⁹	Toka Tū Ake EQC settlements should be enduring. Fewer than 7.5% of claims resolved are reopened within six months	<7.5%	1.6%	<p>N=1221, 2% N=173, 10% N=1048, 0%</p> <p>0% 2% 4% 6% 8% 10%</p> <p>■ Total ■ Toka Tū Ake EQC ■ Insurer Managed</p>	

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 2%.

Of all claim closures during January-June 2022:

10% of Toka Tū Ake EQC-managed claims were reopened within 6 months of closure (N=173); and

0% of Insurer managed claims were reopened within 6 months of closure (N=1048).

Note: This result is adjusted to remove the claims reopened for administrative purposes as advised by our insurer partners.

Output 1.2 | Performance measures | Quantity

1.2.7	The ratio of claims handling expense to settlement cost for the period is less than the ratio set by the Board	Less than threshold ratio	<ul style="list-style-type: none"> ● May-22 ● Jun-22 ● Jul-22 ● Aug-22 ● Sep-22 ● Oct-22 ● Nov-22 ● Dec-22 Jan-23 Feb-23 Mar-23 Apr-23 May-23 Jun-23 	<p>49% 53% 43% 50% 41% 49% 54% 60% 37% 42% 36% 41% 44% 54% 46% 54%</p> <p>■ Actual ■ Threshold</p>
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Commentary

As at 31 December 2022, YTD performance against SM 1.2.7 is tracking ahead of expected performance, with a YTD claims expense ratio of 46% observed vs. the YTD target threshold ratio of 54%.

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:

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- Potential risk of not achieving target
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- Performance trend increase
- 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

Ref	Measure	Target	YTD Result	Progress - YTD	Status/Trend
2.1.1	Percentage of stakeholders ¹¹ surveyed ¹² agree or strongly agree that the outputs of the investment by Toka Tū Ake EQC in research are: <ul style="list-style-type: none"> of good or excellent quality relevant and focussed on the outcomes of the Resilience Strategy 	>75%		Results expected May/ Jun-23 0% 25% 50% 75% 100%	●
2.1.2	Percentage of stakeholders surveyed agree or strongly agree that Toka Tū Ake EQC: <ul style="list-style-type: none"> is contributing to driving progress in resilience to natural hazards; is an engaged and supportive partner 	>75%		Results expected May/ Jun-23 0% 25% 50% 75% 100%	●

Output 2.1 | Performance measures | Quantity

Percentage of the public surveyed ¹³ who say:					
2.1.3	<ul style="list-style-type: none"> they thought about potential risks of natural hazards when buying or looking to buy a property 	>75%	88%	N=254, 88% N=213, 87% Q3 result due Mar-23 0% 25% 50% 75% 100%	●
2.1.3	<ul style="list-style-type: none"> they are aware they can take action to make their homes safer and stronger for disaster events 	>60%	67%	N=1002, 67% N=1003, 69% Q3 result due Mar-23 0% 25% 50% 75% 100%	●
2.1.3	<ul style="list-style-type: none"> where possible, they have taken action as home owners on any of the six key preparedness actions¹⁴ promoted by Toka Tū Ake EQC¹⁵ 	>55%	57%	N=662, 57% N=642, 58% Q3 result due Mar-23 0% 25% 50% 75% 100%	●
2.1.4	Number of formal, evidence-based submissions made on relevant (natural hazard risk) policies, plans, or initiatives or local government statutory plans Reviewer commentary that submissions are: <ul style="list-style-type: none"> of good quality on matters relevant to natural hazard risk reduction 	5	0	Results expected May/ Jun-23 0 2 4 6 8 10	●

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:

● 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 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	●	Dec-22 update unavailable at time of reporting	●
	• Implement new earthquake fragility models in PRUE		●	Dec-22 update unavailable at time of reporting	●
	• Agree a forward loss modelling strategy with GNS and NIWA		●	Dec-22 update unavailable at time of reporting	●
	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	●	The Toka Tū Ake EQC Board have taken the decision to delay the delivery of Phase 1 of the Portal till June 2023.	●
	• Stage two of the Portal is costed and signed off by the Toka Tū Ake EQC Board		●	Dec-22 update unavailable at time of reporting	●

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%	●	<p>Levies collected YTD (\$m)</p>	●
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 Q2 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	●	<p>As at 31 December 2022, we remain on track to achieve this measure</p>	●

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.

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 EQC and Insurers finalised a proposed response strategy for a Mt Taranaki volcanic eruption scenario. The working group commenced work activities mid-August and the completed draft response strategy is now making its way through NDRM governance. Planning for a Wellington catastrophic earthquake response strategy has started with work expected to kick off in earnest in early February 2023 - a working group will be convened as was done for the Mt Taranaki volcanic eruption response strategy. The Wellington earthquake scenario uses the same scenario the Research and Resilience team presented to the Board in December 2022.

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.			Dec-22 update unavailable at time of reporting	
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Target: Achievement of target by 30 December 2022.



Comment


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

<p>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</p>	<p>95%</p>		<p>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). Remedial actions have been completed within the agreed timeframes.</p>	
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<p>4.5 Toka Tū Ake EQC implements recommendations 5.1.3¹⁷ and 6.1.3¹⁸ from the 2020 Public Inquiry by 24 December 2022</p>	<p>100%</p>	 	<p>Recommendation 5.1.3 Completed</p> <p>Recommendation 6.1.3 Refer to commentary below</p>	 
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Comment

We continue to make steady progress implementing the Public Inquiry recommendations:

Recommendation 5.1.3

The Kaikōura/Hurunui claims settlement research is now substantively complete with the final report received by 23 December 2022. A summary of key principles and considerations for residential claims settlement following future events is in development as an input to Rec 5.1.4 which will be jointly led by the Treasury, Toka Tū Ake EQC and the yet to be confirmed Managed Repair Agency.

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 and phase one which will make Toka Tū Ake claims data available, is currently in development. Phase one will be released to the public by June 2023 and the Board is aware this means we will miss the SoPE target delivery date for this measure.

<p>4.6 New Zealanders have increasing trust and confidence in Toka Tū Ake EQC</p>			<p>Not yet reportable - annual measure Result expected in May/ Jun-23</p>	
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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	

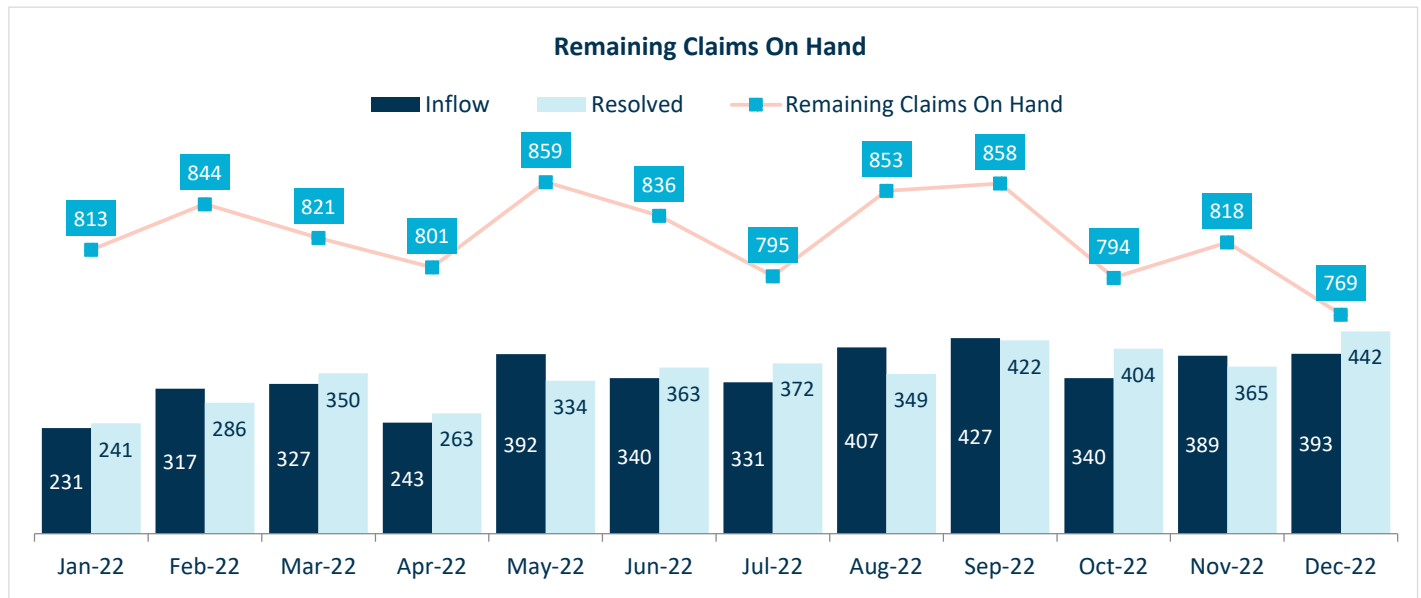
Section 2 - Canterbury

During December, 442 claims were resolved, offset by inflow of 393 claims. At month end we have 769 open Canterbury claims on hand, a reduction of 49 since the end of November.

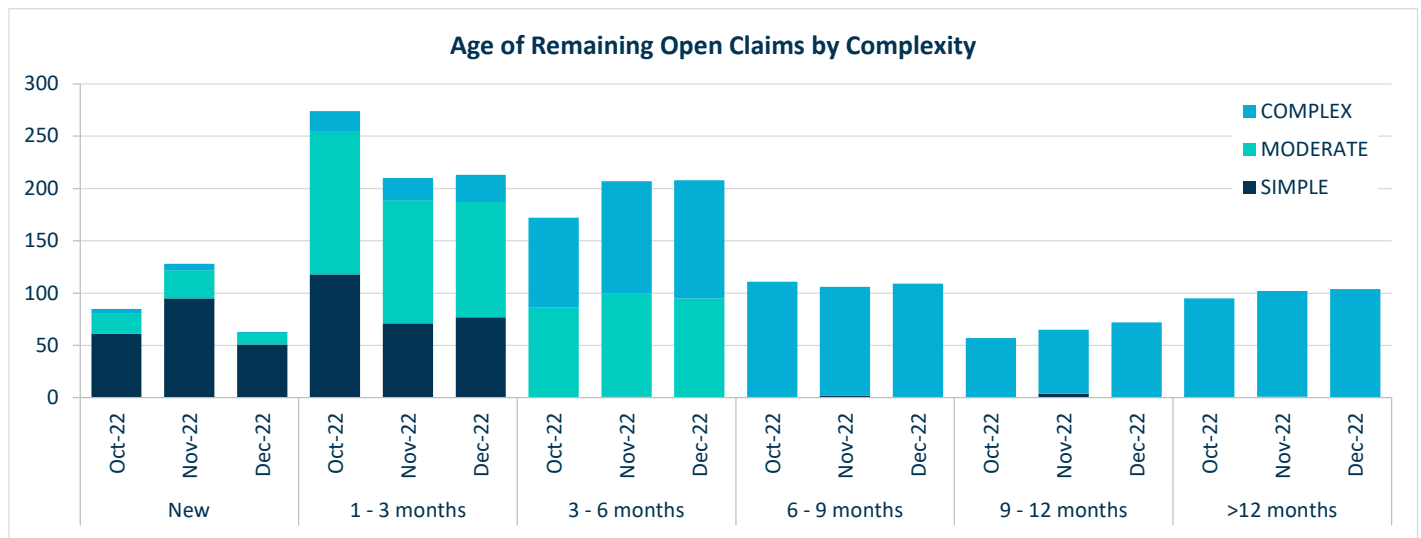
Across December, we reduced our population of open Canterbury Event Sequence claims to 769 (cf. 818 at EOM Nov-22). From a complexity viewpoint, the inflow profile remains unchanged, with 93% of this month's inflow categorised as 'simple' claims ie. closed or forecast to close by EOM Feb-22). At month end, 85% of claims are closed within 3 months of reopening (cf. 81% as at EOM Nov-22). Of our remaining claims, almost 36% are <3 months old. Missed damage remains the top reopen customer-initiated category, accounting for nearly 40% of this month's inflow, with drainage/ plumbing related reasons the top contributor to this category.

The focus of our **Aged Claims Strategy**, since July 2021, 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 December, our aged claims population remains above 100, rising to 104 (cf. 102 at EOM Nov-22), representing almost 13.5% of all open Canterbury claims. On-sold Programme multi unit building (MUB) claims with identified structural dependencies has required the reopening of previously settled Canterbury claims within the same MUB. These reopens will impact our ability to keep this population below 100 given the time it will take to work through the presenting complexities.

Meanwhile all efforts continue to be made on those aged claims that we are able to directly progress as well as aging claims in our preceding age bracket populations, particularly claims aged 6-9 and 9-12 months.



The 442 claims resolved this month includes 1 claim open at 1 December, that is now subject to an application for Government support for repair of on-sold over cap properties ('on-sold claims', an open total 1,195 of which are excluded). A further 2 SRES MOU claims were settled.



Resolution of aged claims continues to be a key priority for our settlement teams. During December, claims aged > 12 months increased by 2% (102 up to 104). While claims aged 3 - 12 months collectively increased by 3% (378 up to 389), claims aged < 3 months reduced for another month, by a significant 18% (338 down to 276).

Section 2 - Canterbury (cont.)

Open Canterbury Claims by Reopen Reason

Missed Damage, 71.9%

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, 4.3%

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, 0.9%

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



Repair Methodology, 7.9%

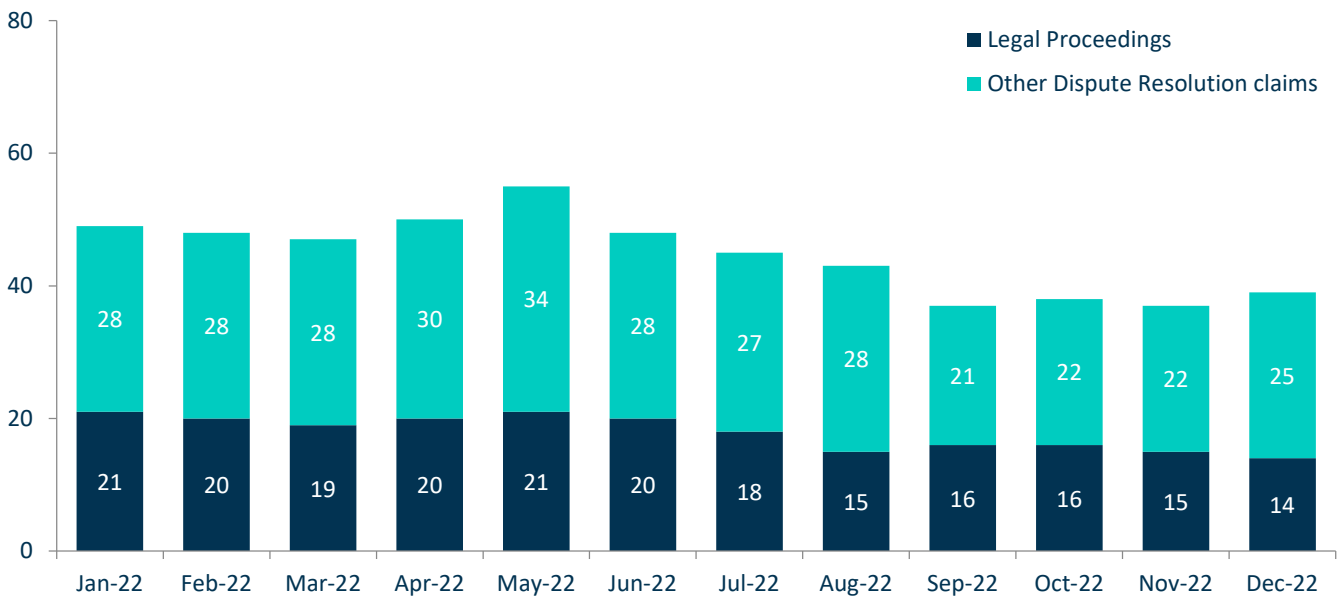
Claim has been reopened as the customer has concerns regarding elements of the repair methodology* or strategy that was recommended or followed, to settle natural disaster damage in accordance with EQC Act.
* Methodology: determining a repair strategy for damage relating to Natural Disaster using appropriate qualified specialist assessments.

Repair Quality, 13.4%

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.

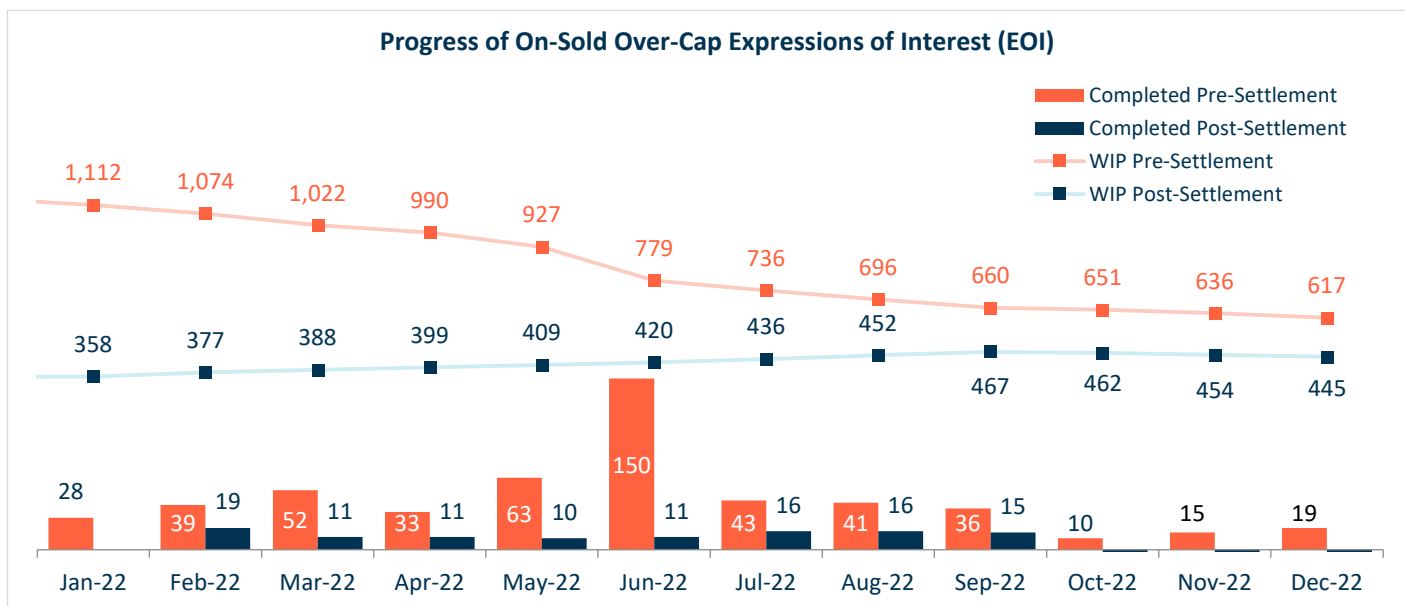
*Note: Issues with repairs managed by the customer following cash settlement need to be resolved directly with the contractor by the

Claims in Dispute



As at 31 December, 14 Canterbury claims remained subject to legal proceedings, down 1 since the end of November. Other claims with the Dispute Resolution team increased, up 3 from last month (22 up to 25).

Section 2 - Canterbury (cont.)



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.

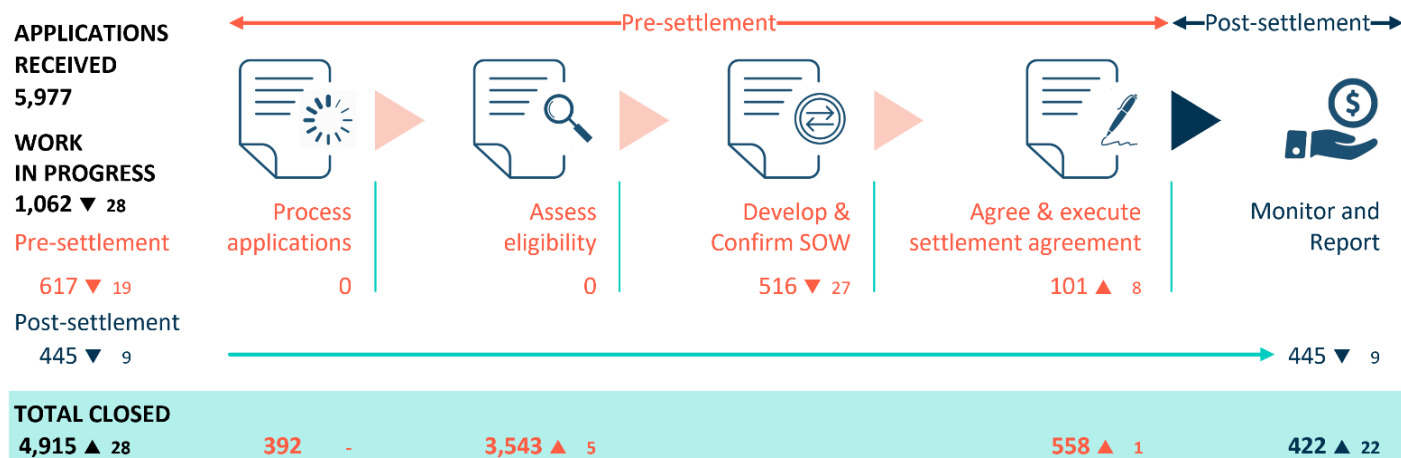
The chart below plots the flow of On-Sold EOIs through the value chain. To date, we have completed the assessment of 5,360* applications ('total closed' (4,915) + 'WIP post-settlement' (445)) of which:

- 1,425 have received an On-Sold settlement agreement or have been resolved without the need to pay Crown funds ('Completed – EQC Payment' (558) + 'Monitor and Report' (867));
- 770 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
- 1,039 have been closed due to insufficient information following a 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** - 617 EOIs on hand that are being reviewed for eligibility or are being managed through our On-Sold assessment/ settlement process ('Pre-settlement'), including 95 Awaiting Agreements with Customers.
- **Post-settlement** - 445 (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).

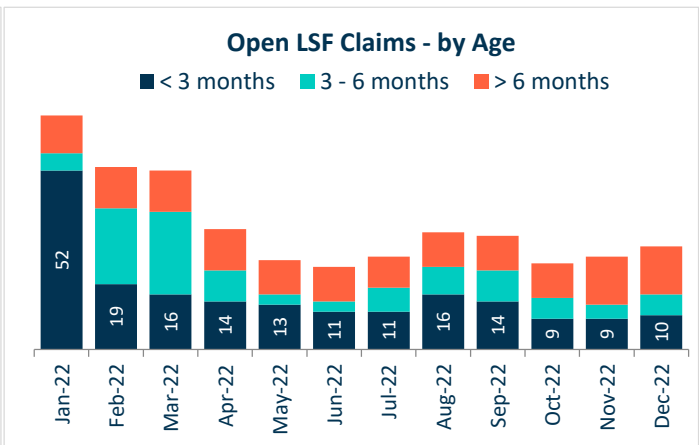
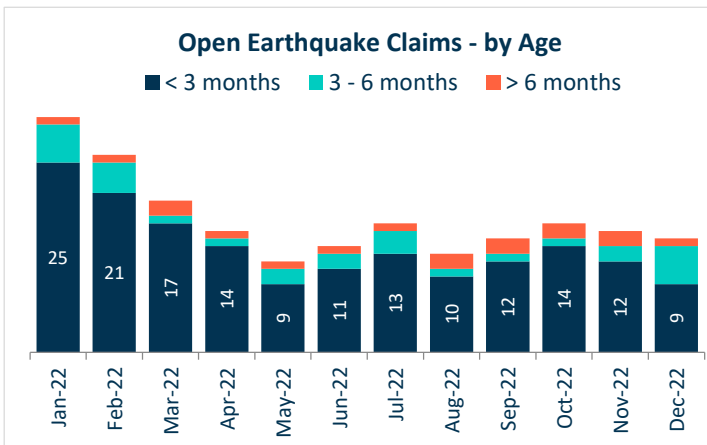
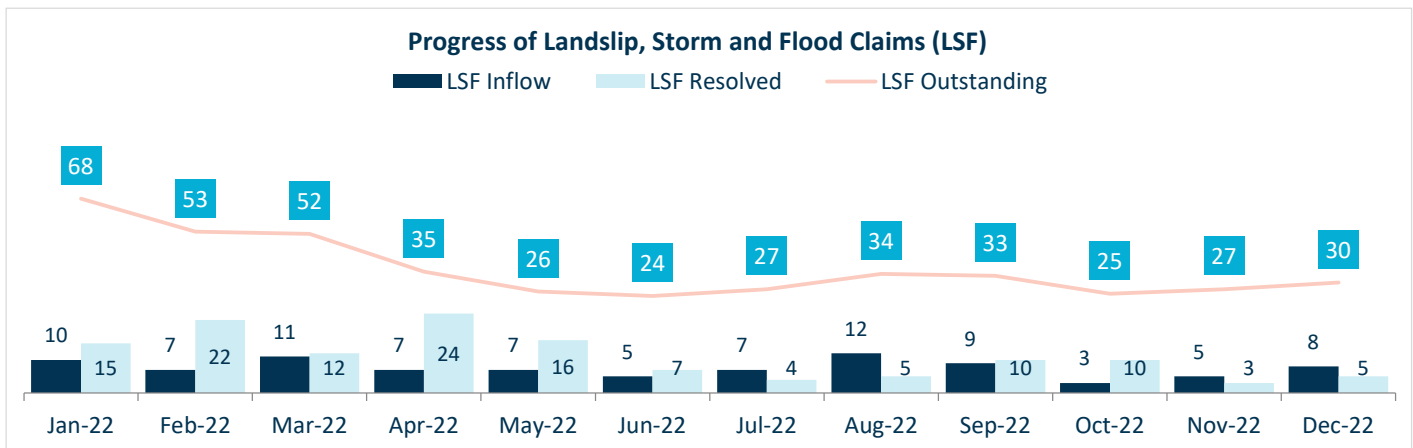
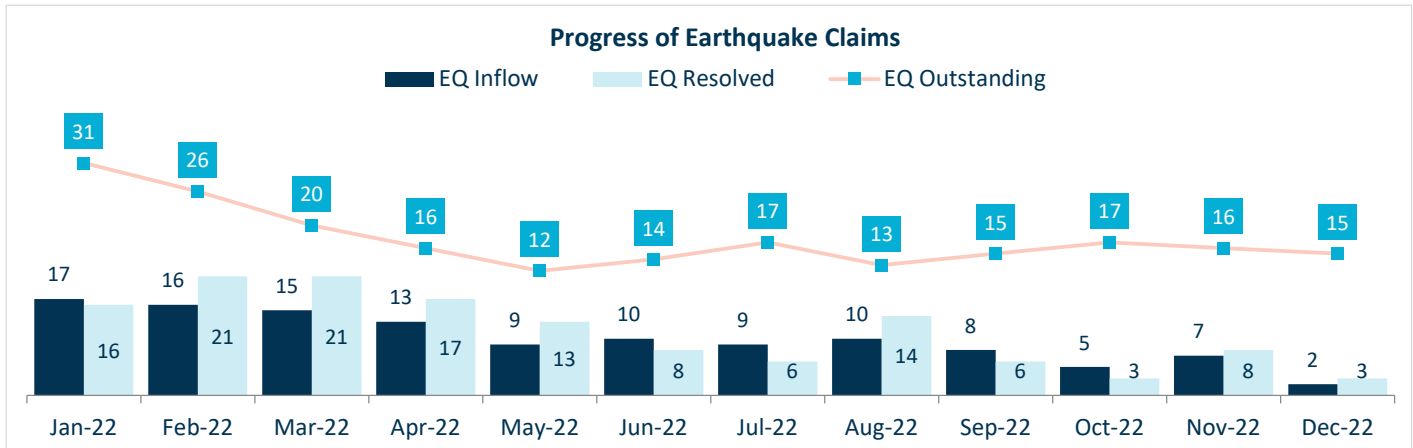


SOW - Scope of Works

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.

We recorded inflow of 10 new and reopened claims in December (cf. 12 for Nov-22). Of this, 20% were Earthquake (EQ) related and 80% Landslip, Storms and Flood (LSF) related claims.



Note: Inflow refers to claims lodged as well as reopened

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

As at 31 December 2022, we have received 5,340 Insurer managed claims (cf. 5,045 at EOM Nov-22) since NDRM commencement. Overall, 81% of these claims are Landslip, Storm and Flood damage claims (LSF). In the FYTD, 2,973 claims have been received, largely due to weather-related events (LSF claims), with significant weather events noted in previous reports. Of the claims received in the FYTD, 971 (33%) have been resolved and 2,002 remain open.

Across December, 246 claims were reported (cf. 225 reported in Nov-22), comprised of 151 EQ and 95 LSF related claims (cf. 37 EQ and 186 LSF for Nov-22).

Geonet reported that the m4.1 earthquake on 1 December, which resulted in moderate shaking, was located in the Taupo region, at a depth of 10km. This earthquake, plus the strong m5.7 earthquake on 30 November, along with a series of light earthquakes in the Taupo region, generated a noticeable proportion of the claims received in December.

Section 4 - Resilience

Progress summary

On our Resilience Three Year Priorities (2019-22)



Coordinated & targeted Research investment

Across the quarter to 31 December 2022:

- The University Research Programme contestable round opened and we received 22 Expressions of Interest, including all seven eligible existing programmes who wish to continue.
- 7 research projects were recently completed following submission of a final report (2 Science to practice grants, 4 targeted science project and 1 loss modelling project)
- 3 new projects have been contracted. These projects relate to:
 - Science to Practice (2); and
 - Targeted science project (1).



Click on the image above to find out more about funded projects on the go



A renewed focus on the strategic value of Data and information

Across the quarter to 31 December 2022:

- The business case for Phase 1 of the Natural Hazards Portal (Portal) has been approved.
- An independent brand and identity has been completed for the Portal.
- High-fidelity wireframes for the Portal map have been completed while wireframes for the remaining Portal web pages are progressing.
- Testing of the Portal map viewer has begun.
- A new Loss Modelling Strategy for Toka Tū Ake EQC has been developed and approved.

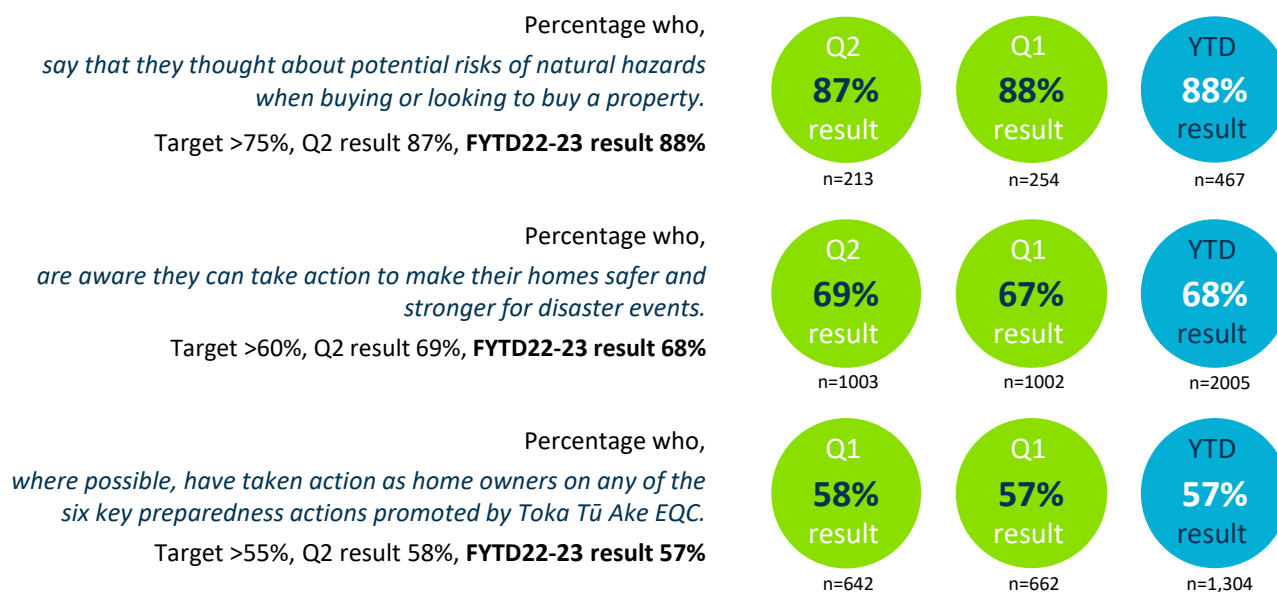


Click on the image above to find out more about how we work to reduce risk and build resilience



Public Education measures to raise public awareness

Survey results for the quarter to 31 December 2022 and overall FYTD22-23 results:



Section 4 - Resilience (cont.)

Progress summary

On our Resilience Three Year Priorities (2019-22) cont.



Public Education measures to raise public awareness (cont.)

What are the six key preparedness actions?

1. Removed brick or concrete chimneys or replaced with lighter weight options
2. Ensured home's foundations are properly connected to the house above
3. Located where to turn off gas supply
4. Located where to turn off main water supply
5. Used brackets to secure tall and heavy furniture to walls
6. Used strapping and bracing to secure hot water cylinder



Click the image to the left to view our Quake Safe Guide



Accelerating the synthesis & Translation of research outputs

Across the quarter to 31 December 2022, Toka Tū Ake EQC:

- drafted content for the Natural Hazards Portal (Portal), which is being reviewed by a copy-writer. Progress on the Portal was presented to the National Reference Group.
- submitted on the He Mata Whāriki Review into the Future of Local Government, the Natural and Built Environments Act and the Spatial Planning Act.
- contributed to the joint Lifelines and Resilience to Nature's Challenges/QuakeCoRE infrastructure research day and the development of the National Vulnerability Assessment for critical infrastructure.
- hosted a webinar for researchers to support the development of their skills in communicating science to policy makers, this was the 3rd webinar of 2022.
- supported and participated in the It's Our Fault and DEVORA research forums that included engagement with relevant central and local government agencies.



Developing reciprocal Partnerships

Our goal: Central and local government; private insurers; key research platforms

Across the quarter to 31 December 2022

At MfE's request, Toka Tū Ake EQC has extended the part-time secondment of one of our Principal Advisors to assist with the development of the National Planning Framework for Natural Hazards. The Framework is a key instrument that will 'operationalise' parts of the new Strategic Planning Act for local authorities.

Collaborating with MfE strengthens our partnership and enables us to promote safer land-use planning for natural hazards within the Framework.



Perceptions of Toka Tū Ake EQC Surveying of key stakeholders (annual) and the general public (quarterly)

We survey key stakeholders on an **annual** basis to ascertain perceptions around:

- the quality and relevance of the outputs of Toka Tū Ake's investment in research (SOPE measure 2.1.1)
- the contribution to driving progress in resilience to natural hazards; and the quality of our partnering (SOPE measure 2.1.2)

Note: Annual surveying of stakeholders is not done until Q3 with results delivered in Q4

We also survey the public on a **quarterly** basis to see how we're doing with enhancing the public's understanding of natural hazard risk and risk reduction activity undertaken (SOPE 2.1.3). Please refer to Public Education section above for a summary of results which are published on a quarterly basis.

Results for SOPE measures 2.1.1-3 are reported under Section 1 'SOPE Results'.

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.

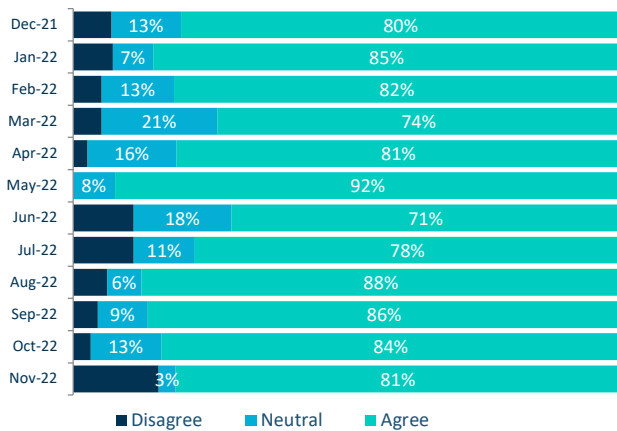
YTD results are as at 30 November 2022, as we report the YTD results one month in arrears due to the unavailability of results for the current month at the time of reporting.

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

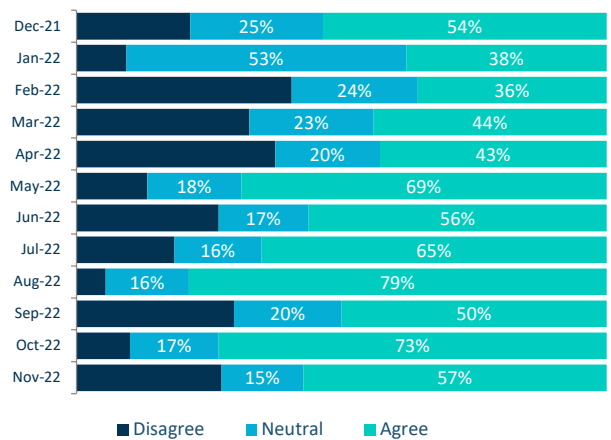
There are no significant changes. All customer experience measures remain identical to the previous year. The only changes to note is that we've consolidated a number of measures from last year into a single measure and that we've changed our SOPE reference numbers to reflect this.

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

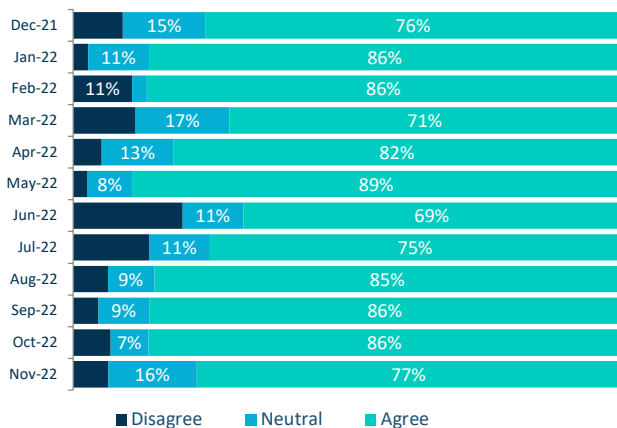
YTD result 62%

Target: > 70%

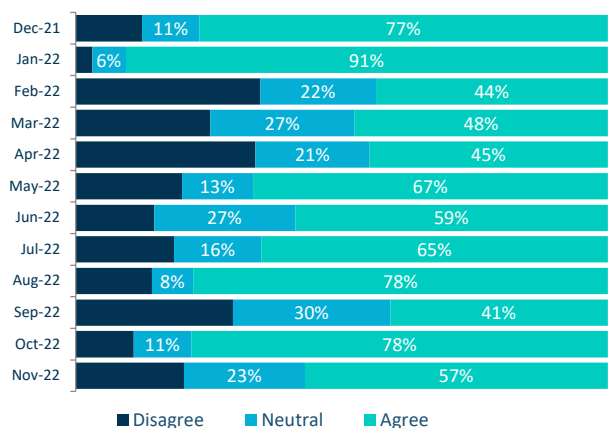
Trend

Recent experiences: Responsiveness to individual needs and situation

Canterbury
SoPE 1.1.7b



Natural Disaster Events (excl. Canterbury)
SoPE 1.2.4b



YTD result 82%

Target: > 70%

Trend

YTD result 61%

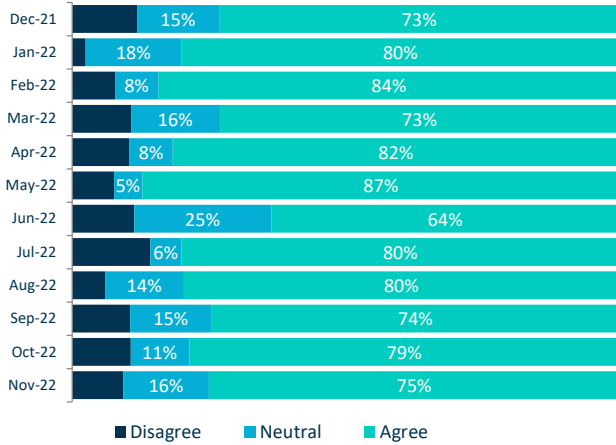
Target: > 70%

Trend

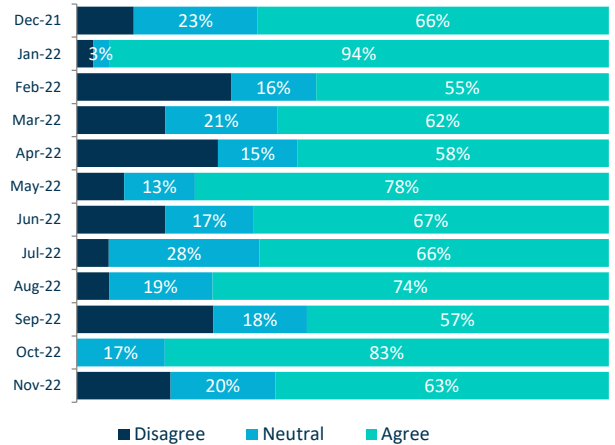
Section 5 - Customer Focus (cont.)

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

Canterbury
SoPE 1.1.7c



Natural Disaster Events (excl. Canterbury)
SoPE 1.2.4c



YTD result 77%

Target: > 70%

Trend

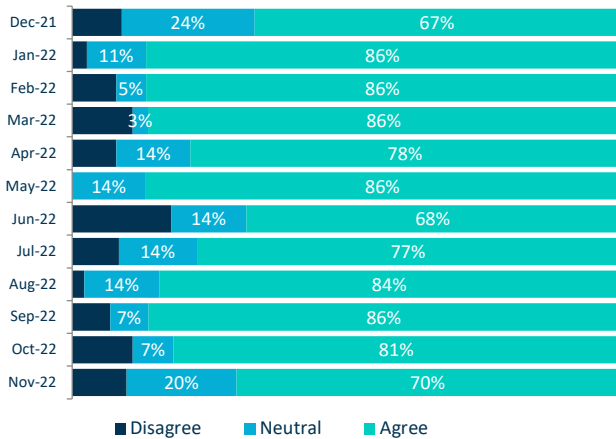
YTD result 67%

Target: > 70%

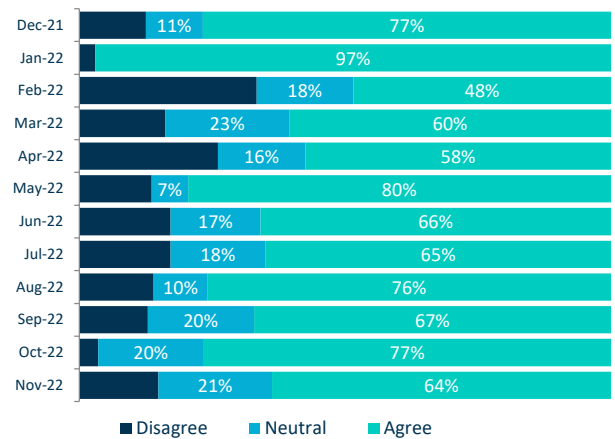
Trend

Recent experiences: Demonstrating expertise and a desire to help

Canterbury
SoPE 1.1.7d



Natural Disaster Events (excl. Canterbury)
SoPE 1.2.4d



YTD result 80%

Target: > 70%

Trend

YTD result 68%

Target: > 70%

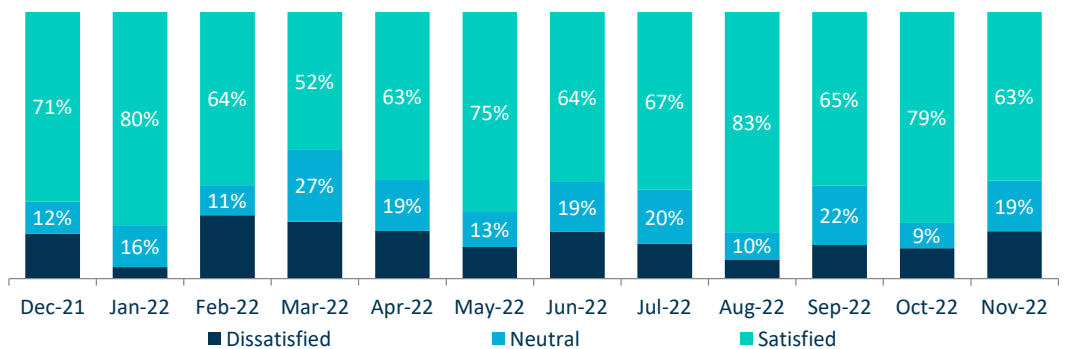
Trend

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

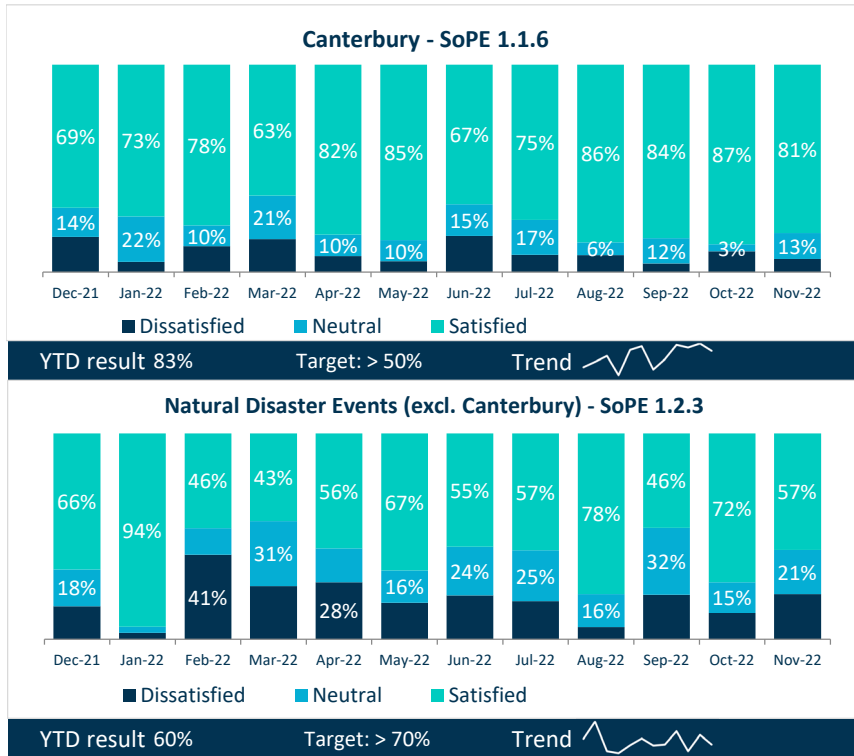


YTD result 70%

Trend

Section 5 - Customer Focus (cont.)

Overall claim experience by event response



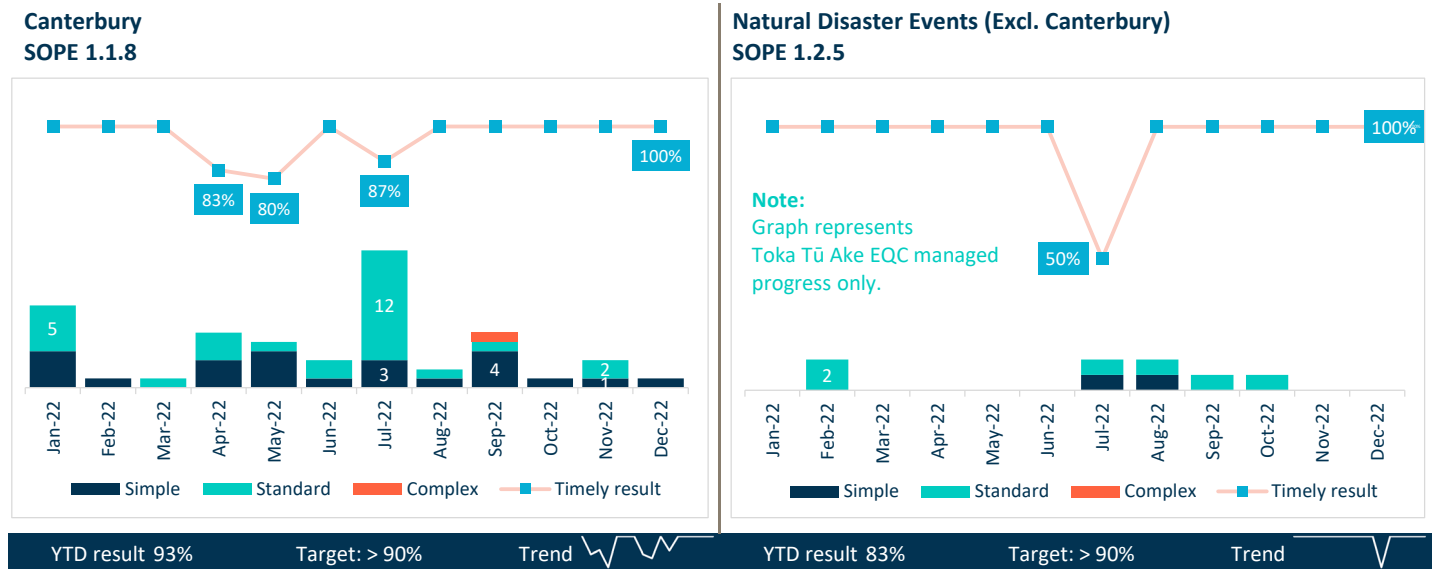
Our Canterbury customers

Across the YTD, satisfaction levels among our Canterbury customers with both their overall and recent experience remains high. YTD results against all SoPE measures continue to track ahead of expected performance required to meet their respective targets.

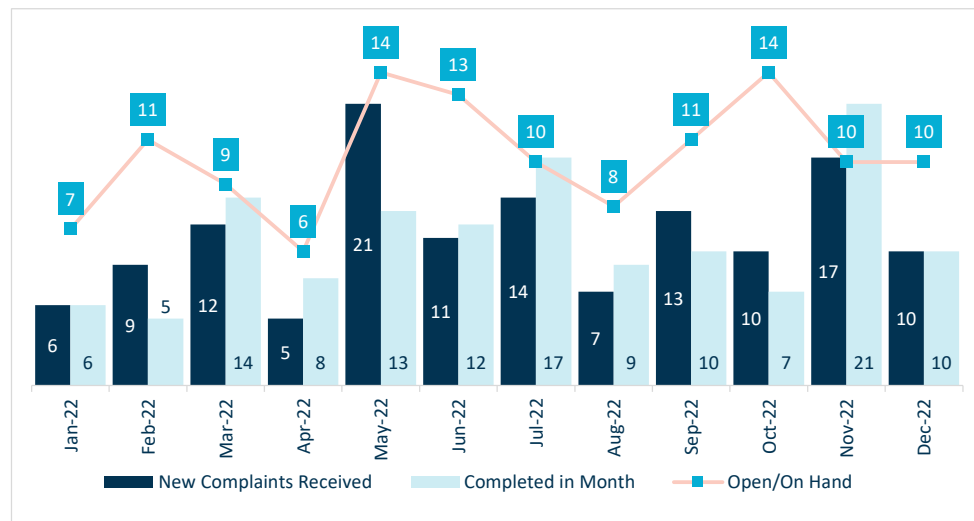
Our Natural Disaster Events (NDE) customers

Across the YTD, satisfaction among our customers impacted by other natural disaster events has decreased following results across all measures for Nov-22. Lower customer satisfaction noted in our Nov-22 results can be traced back to perceptions of transparency and fairness, as well as responsiveness.

Timeliness of complaint resolution



Progression of customer complaints



Overall this month, we received 10 new complaints offset by the 10 resolved complaints, leaving 10 open complaints on hand at month end.

Insurer managed claims - 9 new complaints received this month and 10 resolved, leaving 7 open at month end.

Toka Tū Ake EQC managed claims - 1 new complaint received this month and 0 resolved, leaving 3 open complaints on hand at month end.

The complexity profile of our on hand complaints includes: simple (0); standard (1); and complex (2). The categorisation of these on hand complaints includes: service related (1); process related (2); and technical (0).

Section 5 - Customer Focus (cont.)

Total call, email and post volume

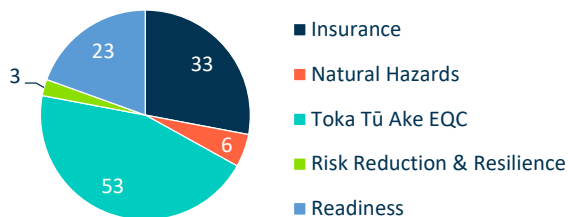
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Outbound - Inbound Ratio	8:92	9:91	12:88	9:91	12:88	10:90
Grade of Service	95%	82%	88%	88%	89%	85%
Abandonment Rate	2%	4%	2%	2%	1%	2%
Roll Over No Answer	49	100	48	44	32	28
Total Calls	2,009	2,499	2,277	2,173	2,051	1,323
Total Email and Post	2,383	2,478	2,168	2,103	1,968	1,252

Section 6 - Media Coverage

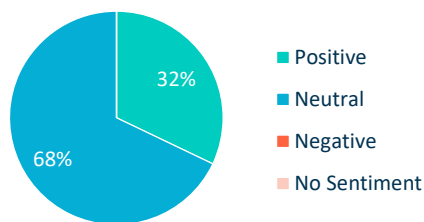
Traditional media coverage across the month

Across December, we received coverage across 53 stories, which was down on the previous month due to the holiday period (cf. 82 for Nov-22). Sentiment across all coverage this month was either positive or neutral.

Coverage by theme across the month



Sentiment of coverage across the month

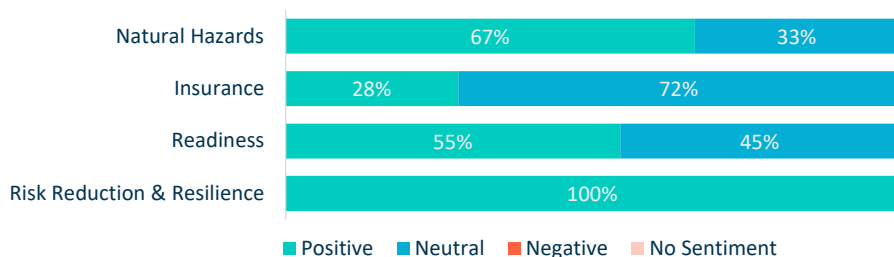


What generated coverage across the month?

A key driver this month was a pro-active media release on claims numbers across 2022, which received widespread coverage around the Christmas period across all media. A second pro-active release covered our collaboration with recovery agencies in Hawkes Bay and the West Coast to test natural disaster scenarios and better co-ordinate recovery efforts in the future, with the story covered by local media in those areas.

Two other stories, involving Toka Tū Ake EQC, that received significant media coverage centred around ICNZ media releases about the cost of the July/ August weather events and a Consumer NZ survey around the increasing cost of insurance.

Sentiment of coverage by theme across the month?



As noted above, we received coverage across 53 stories with sentiment across all coverage this month either positive or neutral.

Social media reporting

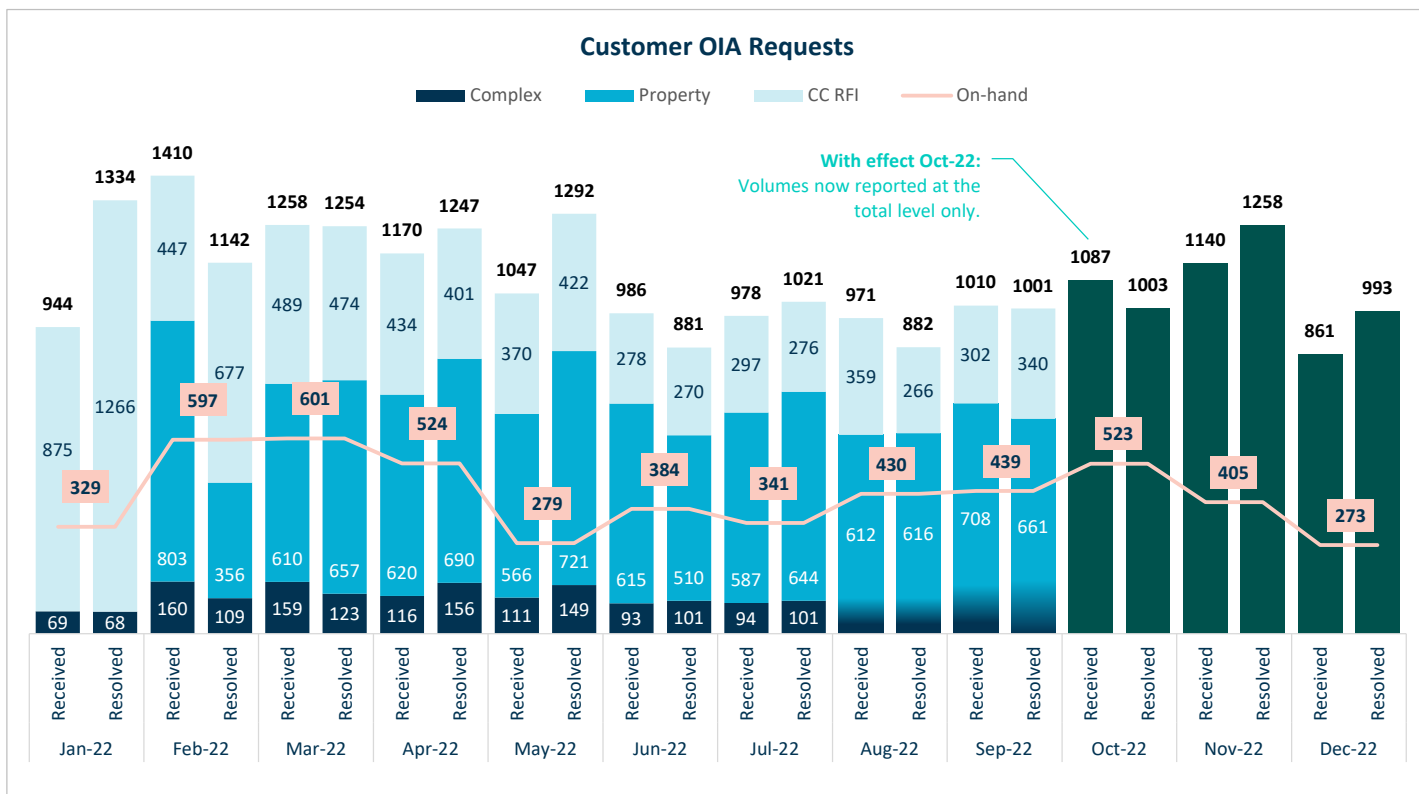
As noted in our October 2022 report, Toka Tū Ake EQC transitioned to a new media analysis provider - Fuseworks. As a result we've put a hold on our social media reporting as we continue to embed the new Fuseworks media analysis platform into our reporting environment. We anticipate that we'll reintroduce our social media analysis reporting in the new calendar year.

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.

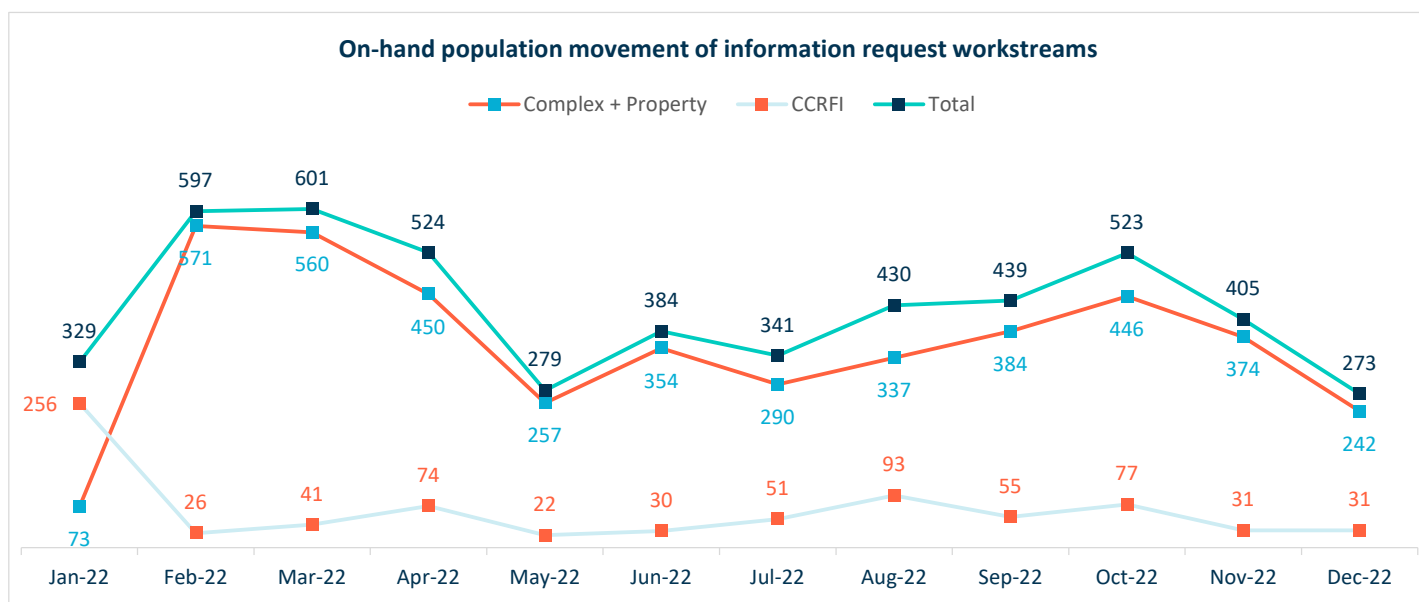
Our widened reporting encompasses two other information request workstreams. One of these workstreams is for information requests for property related files, which is processed under either section 31A of the Earthquake Commission Act 1993 or the Official Information Act 1982. The other workstream covers 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, we are now reporting received and resolved volumes at the total level and have moved away from reporting volumes at a workstream level.

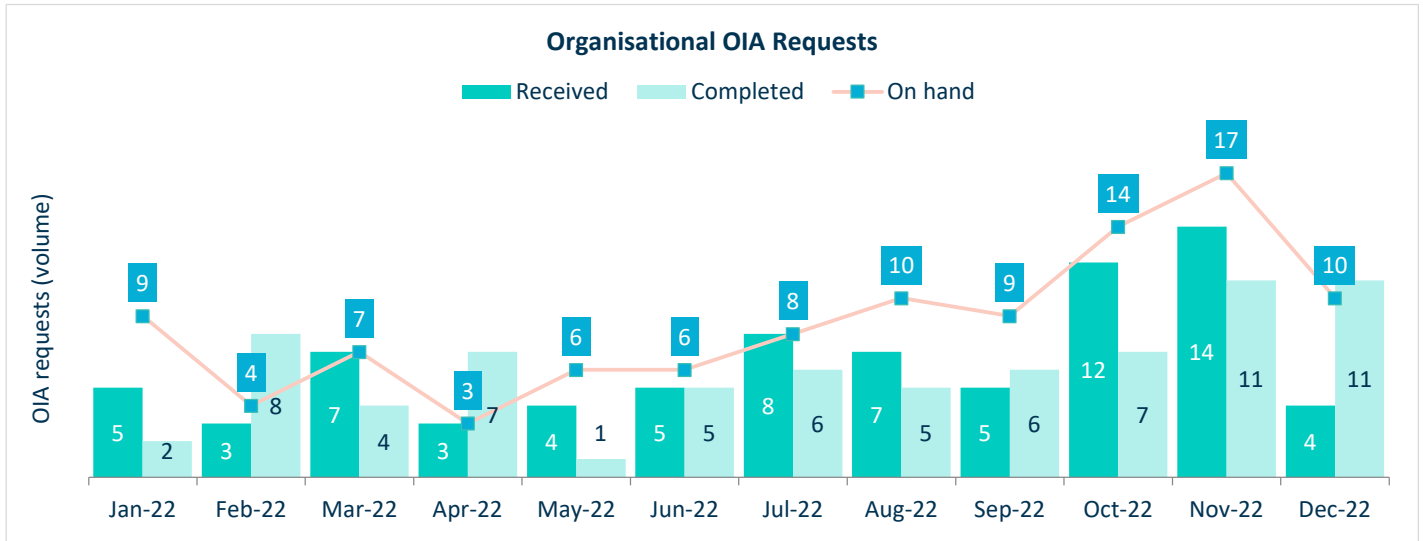


This month, our Customer OIA and Contact Centre Teams received 861 new OIA requests (cf. 1,140 for Nov-22). Coupled with the 405 requests on hand from last month and resolution of 993 requests this month, we have 273 requests on hand at month end.

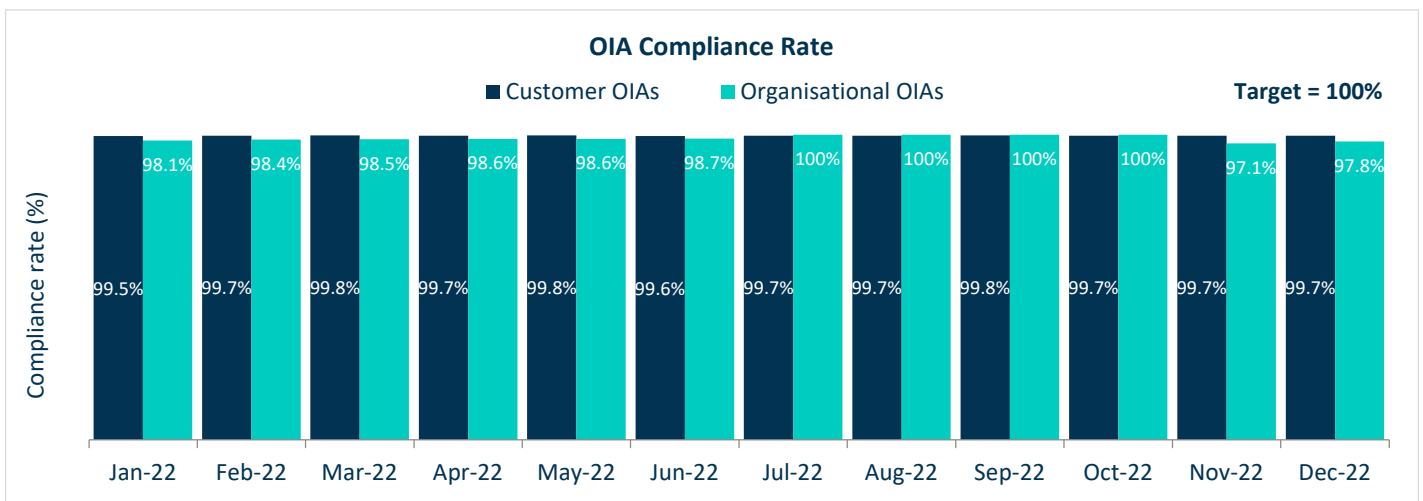
The chart below shows the month on month population movement of the three customer information request workstreams.



Section 7 - Official Information Act (OIA) Requests (cont.)



This month, our Government Relations Team received 4 new high level OIA requests (cf. 14 in Nov-22). Coupled with the 17 requests on hand from last month and 11 completed requests this month, the team have 10 requests on hand at month end.

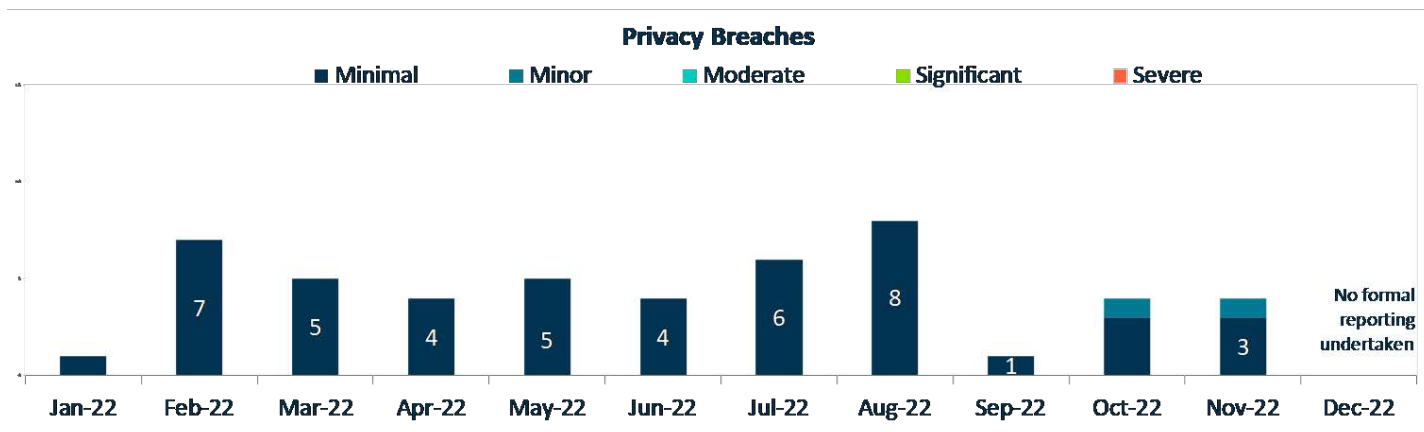


Across December, our Customer OIA Team reported one non-compliant response. Given the large volume of information requests managed by the team, the YTD compliance for the team remains unchanged on 99.7%.

During the same period, our Government Relations Team achieved 100% compliance, raising YTD compliance to 97.8%.

Section 8 - Data Protection

No formal reporting undertaken for December 2022



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'.

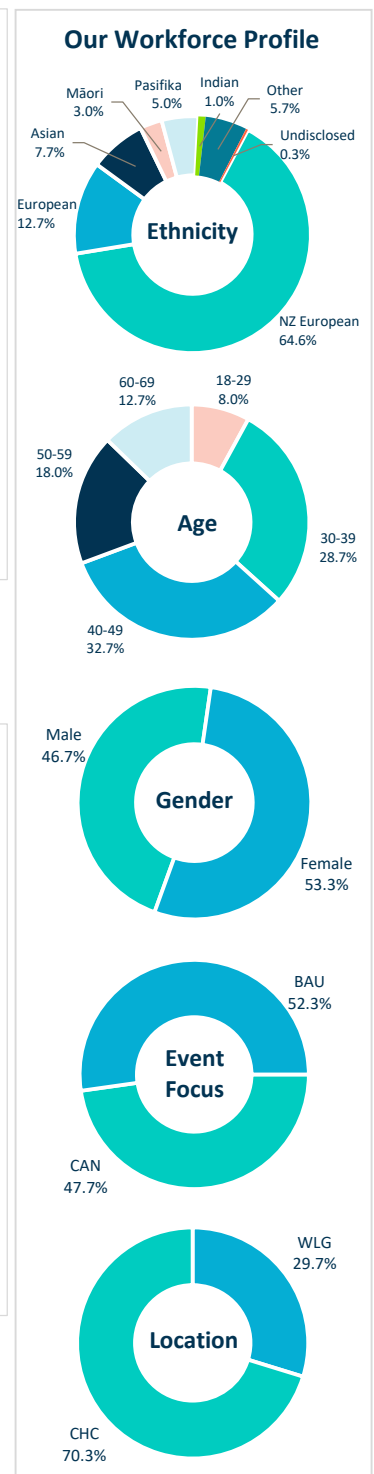
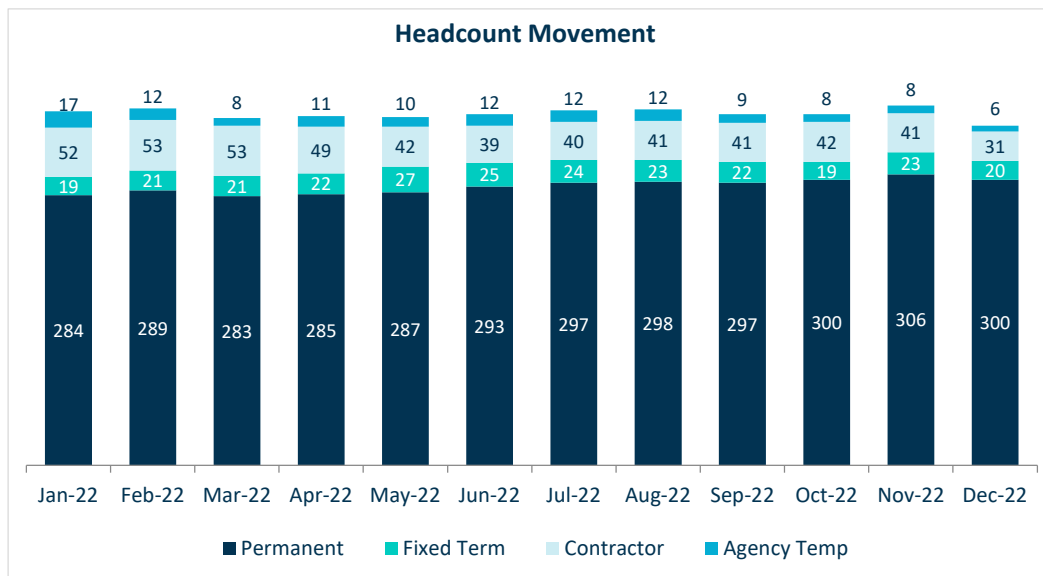
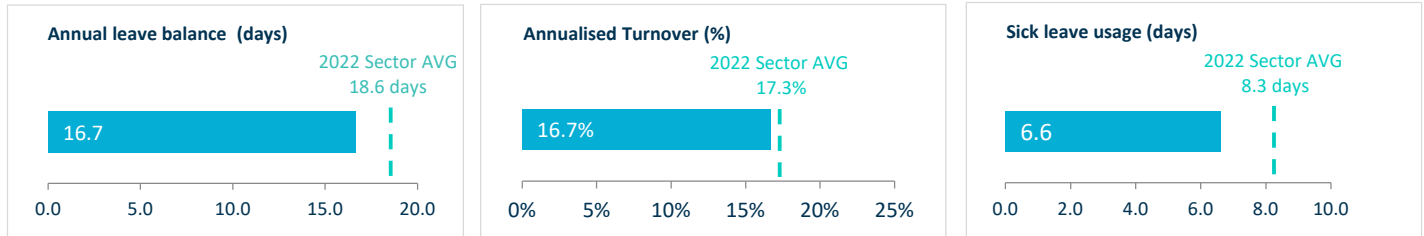
Below is an explanation of each rating:

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.

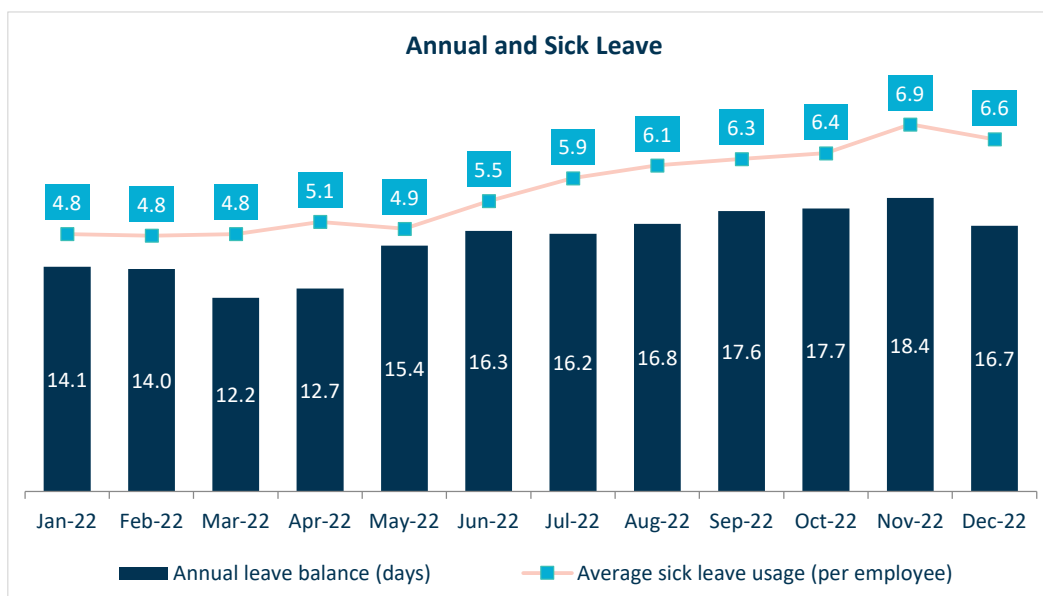
Section 9 - Our People

Across December, our permanent workforce headcount decreased by 6, while our temporary headcount decreased by 3. During this period, our average annual leave balance fell to 16.7 days (cf. 18.4 in Nov-22), which is below the 2022 public sector average of 18.6 days. Average sick leave usage also decreased, dropping by 0.3 days to 6.6 days, remaining below the 2022 public sector average of 8.3 days. Meanwhile, annualised turnover ('voluntary turnover') rose to 16.7% (cf. 14.4% in Nov-22), 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



Over the month, our permanent employee population decreased by 6 while our temporary employee population decreased by 3.



As reported above, our average annual leave balance fell to 16.7 days (cf. 18.4 at EOM Nov-22), remaining below the 2022 public sector average of 18.6 days.

In the same period, average sick leave decreased from last month by 0.3 days to 6.6 days against a 2022 public sector average of 8.3 days.