

Last Friday, Earthquake Recovery Minister Gerry Brownlee announced a package of initiatives to assist earthquake-affected Cantabrians with their accommodation costs. The topic has been discussed in the media over the weekend and we thought we'd prepare a summary of the highlights of this announcement for you to discuss with your customers.

The temporary accommodation assistance will be paid at a set rate of:

- \$180 per week for a one-person household
- \$275 per week for a two-person household
- \$330 per week for each household of 3 or more people

Funds will only be available if homeowners have had to leave their homes due to damage or must leave their home while land remediation and/or house rebuilding or repair occurs and their temporary accommodation benefit has been exhausted.

Financial assistance will be available to those who own a home that is insured but may not have temporary accommodation cover because they don't have Contents insurance, or they have no temporary accommodation extension under their Home policy.

The government has also offered to help find temporary accommodation for people and four Canterbury Earthquake Temporary Accommodation Service offices will be open from Monday, 21 February at:

- Work and Income, 231 High Street, Christchurch
- Linwood Community Link, 154 Aldwins Road, Linwood, Christchurch
- Papanui Work and Income, 7 Winston Avenue, Papanui, Christchurch
- Waimakariri Earthquake Hub, 24 Sewell Street, Kaiapoi

This is a free service and is not means tested. Provided the homeowner has to move out of the property and is incurring temporary accommodation costs, it can be accessed as soon as insurance cover has been exhausted.

For more information, phone the Canterbury Earthquake Temporary Accommodation Service on 0800 673 227 or visit www.quakeaccommodation.govt.nz

We are currently looking at ways we can support the Government's offer by enabling a smooth transition for those affected to access funds once their temporary accommodation benefit has been exhausted. We'll be in touch with more details.

Vero Home Policy Discounts and Cover

Since early February, we have been offering policy discounts to eligible residential policyholders and would like to confirm our offer.

Homes that are over 75% damaged in Canterbury (whether or not they're occupied) with a valid claim accepted by both EQC and Vero are eligible for a 50% company premium discount on request at renewal.

Continued cover for uninhabitable homes

Customers with a Vero home policy where the home has become uninhabitable following damage caused by the earthquake can rest assured that (subject to standard underwriting acceptance criteria, as well as policy cover, exclusions and conditions), their policies will remain current until repairs have been completed and the home can be occupied again.

cont...

Home Construction Cover

We will soon advise you of our process when MWH Mainzeal are project managing home repairs to ensure your customers are not left without cover due to the standard policy exclusion for structural alterations. We will also share more information on our approach to protecting homeowners from liability for the actions or omissions of a repair contractor.

Contents in Storage

We will automatically extend existing contents policies to provide cover for contents that your customers have needed to remove from an earthquake damaged home and place into a secure private or professional storage facility until they can be returned to the repaired home, including in transit to or from the home. You'll hear more detail on this shortly.

Policy Cancellation Requests

Often following a major event such as an earthquake it is common for customers with severe damage to request policy cancellations. There will undoubtedly be a variety of reasons for this and we thought it might be useful to provide a short list of the many exposures that they may not have considered:

- The undamaged part of the building or other structures such as garages and fences will still need to be protected against future or further loss or damage. This is especially important where the home is unoccupied.
- The land beneath the residential buildings and within 8 metres of those buildings is covered by EQC. Cancelling the home policy will result in there being no EQC cover in the event of another natural disaster. Should another event occur prior to the rebuild work being undertaken, it may mean that the rebuild will be delayed until the customer has carried out repairs to the land (at their own expense).
- The property owner is responsible for safety at the property and is therefore responsible for any accidental damage to third party property arising from their negligence in not preventing an incident from occurring.
- Any outstanding premiums for the current period of insurance (if paying by instalment) must still be paid as the policy has responded to a loss.

As always, if you have any questions about specific claims, please contact your claims manager. We appreciate your continued support.