

# **NSW Home Warranty Insurance Scheme**

**Information on the Scheme as at**

**30 September 2011**



24 April 2012

Home Warranty Insurance Scheme Board  
NSW Fair Trading  
Department of Finance and Services  
1 Fitzwilliam Street  
Parramatta NSW 2150

Dear Members of the Board

### HWI Scheme Data as at 30 September 2011

Finity Consulting Pty Limited (Finity) was engaged by NSW Fair Trading to review the publication of data for the Home Warranty Insurance (HWI) Scheme.

Finity has reviewed the descriptions of the data and the presentation of tables and graphs to make sure the data is presented fairly and is not likely to be misinterpreted. Note that Finity has not reviewed the accuracy of the data provided by the insurers nor the accuracy of the summary tables prepared by Fair Trading, but, where possible, has considered them for reasonableness.

We particularly draw the attention of the reader to Section 2 of the publication – Caution in Interpreting the Information.

Yours sincerely



David Minty



Mark Hurst

**Fellows of the Institute of Actuaries of Australia**

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# Home Warranty Insurance Scheme Information

## 1 PREAMBLE

The *Home Building Act 1989* establishes a home warranty insurance (HWI) scheme. The scheme provides protection for consumers where builders fail to complete residential building work or rectify defects.

In New South Wales, HWI may only be offered by licensed insurers approved by the Minister under the Act. The approved insurers from the private sector all ceased writing business on or before 30 June 2010. However, all approved insurers will continue to manage and settle claims on policies written up until that date.

The NSW Self Insurance Corporation became the sole provider of home warranty insurance in NSW from 1 July 2010. The Corporation trades as the NSW Home Warranty Insurance Fund (HWIF) and is a part of NSW Treasury. The Scheme is underwritten and capitalised by the Government and funded by warranty insurance premiums.

QBE Insurance (Australia) Limited and Calliden Insurance Limited have been appointed as insurance agents of the NSW Self Insurance Corporation through contractual arrangements. Vero Insurance Limited was also an agent for the three months to 30 September 2010.

### HWI Scheme data

NSW Fair Trading, within the Department of Finance and Services, has certain regulatory responsibilities in relation to home warranty insurance. One of the roles of Fair Trading is to collect data on claims and policies from insurers in order to be able to monitor the operation of the scheme.

Since September 2005 insurers in the HWI scheme have been providing data on a quarterly basis to Fair Trading. The following information on the operation of the scheme applies only to the version of the scheme in operation since 1 July 2002, in which the protection offered applies only in the event of the death, disappearance or insolvency of a builder. For policies issued from 19 May 2009, cover extends to situations where a builder's licence is suspended for a failure to comply with a mandatory monetary order of the Consumer, Trader and Tenancy Tribunal or a court in favour of the homeowner.

This publication summarises the data that has been provided since June 2006 for the insurance period 1 July 2002 to 30 September 2011. The information provided has been aggregated across insurers. Data provided by individual insurers is commercially confidential and has not been disclosed.

Further information on the operation of the scheme is available on the following websites:

**NSW Fair Trading:** [http://www.fairtrading.nsw.gov.au/Tradespeople/Home\\_warranty\\_insurance.html](http://www.fairtrading.nsw.gov.au/Tradespeople/Home_warranty_insurance.html)

**Home Warranty Insurance Fund:** <http://www.homewarranty.nsw.gov.au>

## 2 CAUTION IN INTERPRETING THE INFORMATION

HWI is a 'long tail' class of insurance business, which means:

- there may be significant delay between the date a project certificate is issued and the commencement of the project;
- the duration of building projects may range from a few weeks to several years;
- coverage remains in place for six years after project completion; and
- it may take some time for home owners to identify a loss, lodge a claim with an insurer and for the insurer to assess the claim and arrange rectification.

Therefore, care must be taken in basing conclusions on trends that have emerged to date. The data in this publication relates only to project certificates issued from 1 July 2002 and to claims that have been notified to date on those certificates. **It does NOT include claims that have not yet been reported to insurers on those certificates, or any provisions made by insurers in their accounts for either the cost of unreported claims or cost escalation on reported claims.** Experience with the former Government administered schemes showed that claims may be lodged with insurers as long as ten years after the issue of HWI.

It is only possible to make an assessment of the financial performance of the HWI scheme by comparing premiums collected with all the relevant costs of insurers over the full life of the HWI cover. At this time, there is insufficient information to make such an assessment although useful information is starting to emerge as the business matures.

Claims experience of HWI can vary greatly from year to year depending on economic conditions in both the home building market and in the community generally. Since the adoption of the single insurer model from 1 July 2010, insurance market cycles are only likely to impact the scheme to the extent that the insurer seeks to obtain reinsurance cover from the commercial insurance market.

For the first few years after the current HWI scheme commenced in 2002, the NSW economy performed reasonably well, and conditions were generally favourable for home builders. As over 90% of home warranty claims arise from the insolvency of the builder, the downturn in the economy in 2008 drove a significant increase in claims on the scheme as even some larger builders have failed. Poor business decisions are also more likely to convert into business failure if additional financing is unexpectedly required or existing loans need to be renegotiated or rolled over when lending or investing conditions are tight. Any serious assessment of the scheme should place substantial weight not only on the long tail nature of the scheme, but also that different economic circumstances can yield significantly different claims results.

As the cover provided by HWI insurers extends over at least six years from completion of work, the downturn in the building industry since 2008 has given rise to claims because structural defects now emerging may involve builders that have become insolvent since then. As a consequence, the claim experience of even early underwriting years has continued to deteriorate. During the 12 months to September 2011, there has been an increase of \$67 million, or 42%, in the estimated total claims cost reported by the scheme insurers. This illustrates the point made earlier that it takes many years for the ultimate experience of this class of business to emerge.

### 3 DATA

#### Part I Information Related only to Licensed Builders

##### A Eligibility Information

Eligibility' is the term used to describe the entitlement that a builder has to apply for a Certificate of Insurance for home building projects, and the conditions under which the Certificate of Insurance may be granted. From 1 July 2010, eligibility application may be made via an insurance broker to one of HWIF's Insurance Agents.

##### A.1 Builder eligibilities

Table A1 shows the number of builder eligibilities at the end of each quarter by turnover band. It includes builders who may have eligibility via more than one insurer /agent at the time of reporting (refer note #2 below). Turnover refers to the total annual turnover for which the builder has eligibility from the insurer at the end of the quarter for all types of cover.

Table A1 Number of builder eligibilities by turnover band

Turnover band (\$' m)	\$0 - <0.5m	\$0.5 - <1m	\$1 - <2m	\$2 - <3m	\$3 - <5m	\$5 - <20m	\$20+m	Change in Turnover Requested	unlimited	Totals
<b>Sep 08</b>	2,103	1,852	4,680	3,817	3,922	1,052	140	11	433	<b>18,010</b>
<b>Dec 08</b>	2,142	1,948	4,743	4,072	3,921	925	145	3	452	<b>18,351</b>
<b>Mar 09</b>	2,227	1,915	4,677	3,852	3,892	818	125	2	373	<b>17,881</b>
<b>Jun 09</b>	2,225	1,983	4,768	3,788	3,860	780	122	2	298	<b>17,826</b>
<b>Sep 09</b>	2,381	2,219	5,477	3,882	3,952	799	126	16	286	<b>(#1) 19,138</b>
<b>Dec 09</b>	1,906	1,886	4,514	3,305	3,923	706	106	0	0	<b>(#1) 16,346</b>
<b>Mar 10</b>	2,089	1,995	4,619	3,393	3,986	711	107	0	0	<b>16,900</b>
<b>Jun 10</b>	2,241	2,127	4,731	3,403	4,039	749	107	1	0	<b>17,398</b>
<b>Sep 10</b>	2,469	2,199	4,674	3,449	3,788	680	98	0	0	<b>17,357</b>
<b>Dec 10</b>	2,358	2,230	4,363	3,184	3,102	640	91	0	0	<b>(#2) 15,968</b>
<b>Mar 11</b>	2,543	2,327	4,418	3,103	3,176	653	93	0	0	<b>16,313</b>
<b>Jun 11</b>	3,168	2,617	4,614	2,895	3,054	692	82	0	0	<b>17,122</b>
<b>Sep 11</b>	2,947	2,486	4,352	2,392	2,673	661	78	0	0	<b>(#3) 15,589</b>

Notes:

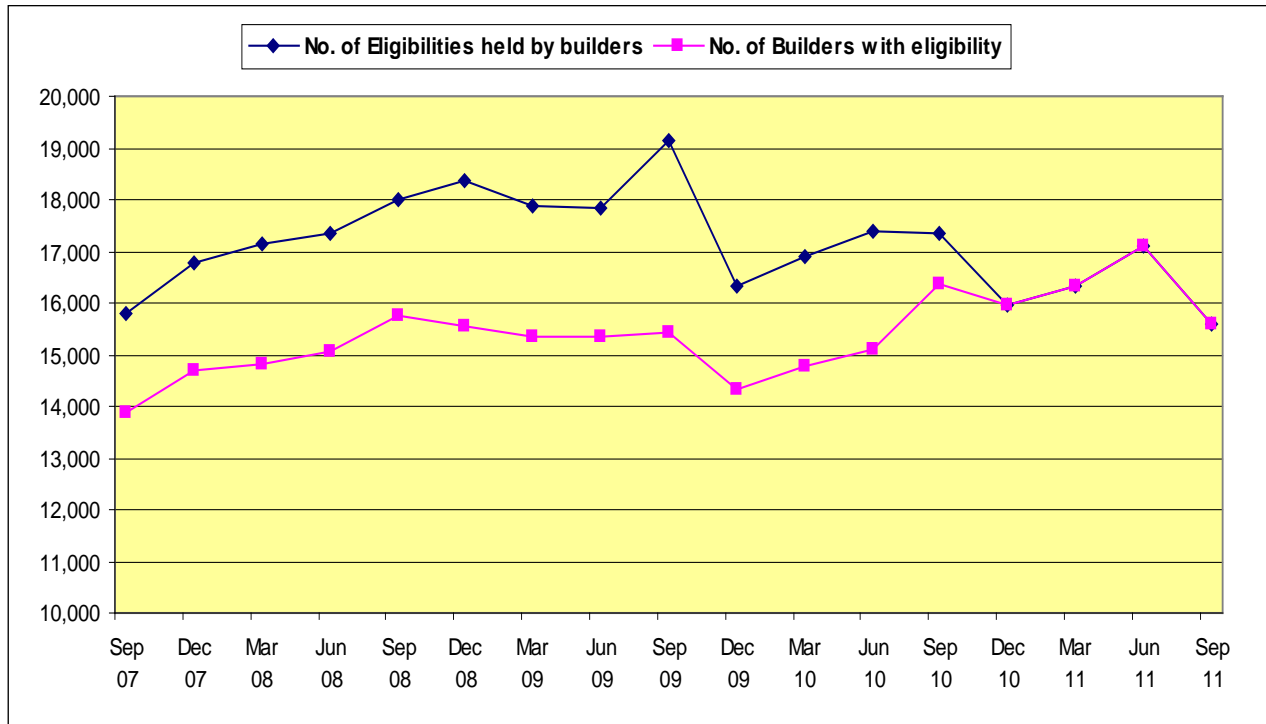
#1 As at September 2009 the high proportion of builders with eligibility from multiple insurers was largely due to existing builders who were then insured by CGU and Lumley, obtaining alternative eligibility with the remaining insurers. During the December 2009 quarter, as CGU and Lumley withdrew from the market, the total number of builders with multiple eligibilities fell accordingly.

#2. Vero ceased as an insurance agent for the HWIF as at 1 October 2010. The multiple eligibility cleansing process implemented by HWIF has resulted in all builders having only one active eligibility at any one time through either one of the agents QBE or Calliden as at 31 December 2010. Consequently, the number of builder eligibilities fell by 8% as at that date.

#3 The drop in the number of current builder eligibilities as at 30 September 2011 was mainly due to the removal of around 1,400 non-current (expired, cancelled or surrendered) licences included in prior quarters.

As at 30 September 2011, the proportion of builders with eligibility for annual turnover are: less than \$1 million: 35%, \$1m to less than \$5m: 60%, and \$5m and over: 5%.

Figure A1 - Trend in: a) number of licensed builders with eligibility, and b) number of current eligibilities held by licensed builders, as at end of each quarter



## B Securities and Indemnities Information

For a small number of builders, the HWIF may require security in the form of a Deed of Indemnity as a condition of approving eligibility or providing home warranty cover for a specific project. Bank guarantees will not be sought by the HWIF for that purpose. The standard Deeds of Indemnity required by the HWIF include a limit of indemnity and have an expiry date.

The HWIF reports to Fair Trading each quarter regarding the Deeds of Indemnity for eligibility held, and were received at the end of the quarter by HWIF from its agents subsequent to their execution. They include only builders with current eligibility as at the end of the quarter. Securities provided prior to 1 July 2010 by builders to former insurers are unable to be transferred to the HWIF, and will remain in place until they are released by the insurers - such securities are not included in the HWIF report.

### B.1 Securities held by insurers for builders with current eligibility

Table B1 Number of Securities held by insurers for builders with current eligibility as at end of each quarter

Quarter	Bank Guarantee	Indemnity	Multiple Securities	Other Security	Totals	% of Total Builder Eligibility
Sep 08	144	1,372	112	1	1,629	9.0%
Dec 08	135	1,405	117	1	1,658	9.0%
Mar 09	154	1,126	58	1	1,339	7.5%
Jun 09	155	1,118	59	1	1,333	7.5%
Sep 09	150	1,254	56	1	1,461	7.6%
Dec 09	136	1,184	53	0	1,373	8.4%
Mar 10	23	539	11	0	573	3.4%
Jun 10	22	606	11	0	639	3.7%
Sep 10	NA	0	NA	NA	0	0%
Dec 10	NA	0	NA	NA	0	0%
Mar 11	NA	255	NA	NA	255	1.6%

Quarter	Bank Guarantee	Indemnity	Multiple Securities	Other Security	Totals	% of Total Builder Eligibility
Jun 11	NA	472	NA	NA	472	2.8%
Sep 11	NA	696	NA	NA	696	4.5%

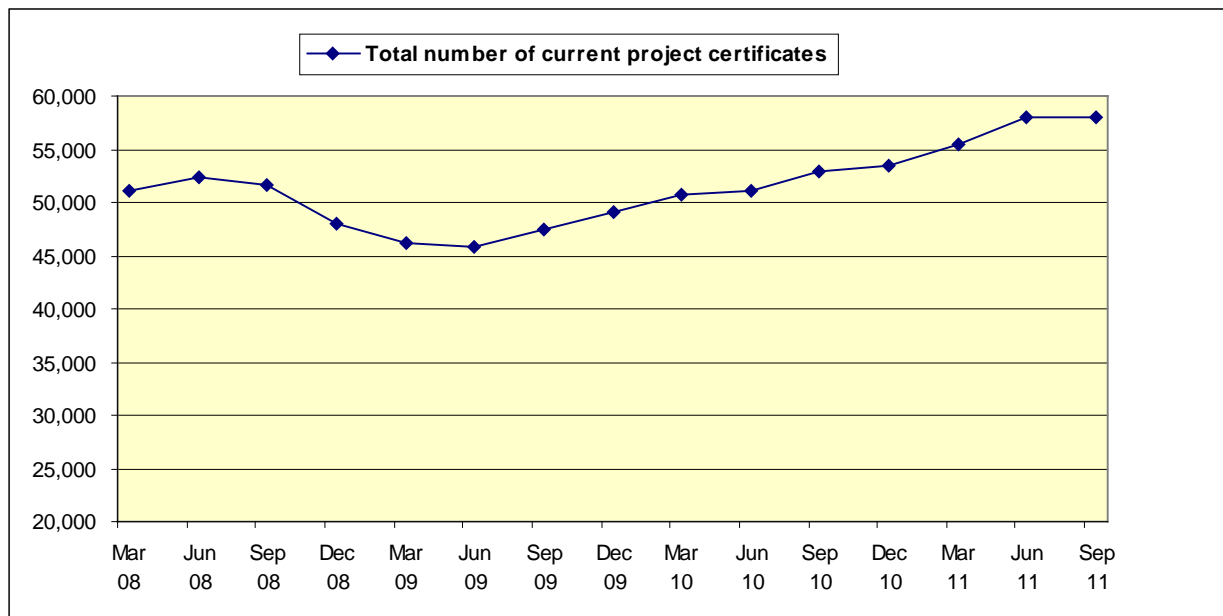
## C Project Certificate Information – Builder

Generally a project certificate is issued in relation to a project prior to building commencement. The project certificate is evidence of the HWI contract. Insurers report to Fair Trading the number of project certificates issued during the quarter, and the number of project certificates for projects still in progress (current) at the end of the quarter. For the purpose of this report, building work has been deemed completed 12 months after certificate issue date.

### C.1 Current project certificates - Builder

Figure C1 shows the trend in the total number of current project certificates for “work in progress” as at the end of each quarter. These figures do not include owner builder projects.

Figure C1 Trend in total number of current project certificates - as at the end of each quarter



### C.2 New project certificates issued - Builder

Tables C1, C2 and figure C2.1 show the number and value of new project certificates issued during the quarter, reduced by the number (or value) of project certificates cancelled in the quarter. A cancellation occurs when a project certificate is terminated because the project did not commence. If a project certificate applies to more than one type of cover, then it is classified under the type of cover that represents the greatest value under the contract.



Table C1. Number of project certificates issued by type of cover

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals
Sep 08	3,529	1,204	4,307	1,090	3,725	165	14,020
Dec 08	3,020	762	3,167	921	3,017	175	11,062
Mar 09	3,008	884	3,222	933	2,928	267	11,242
Jun 09	4,206	700	3,630	830	3,821	304	13,491
Sep 09	4,965	852	4,114	1,321	3,707	238	15,197
Dec 09	4,028	969	3,782	1,156	2,899	149	12,983
Mar 10	3,828	787	4,317	823	2,487	87	12,329
Jun 10	4,209	904	3,903	830	2,652	111	12,609
Sep 10	4,450	1,250	4,247	1,150	4,208	44	15,349
Dec 10	3,983	719	3,353	1,021	4,144	18	13,238
Mar 11	4,143	942	3,954	1,068	4,209	12	14,328
Jun 11	4,314	1,040	3,932	991	4,822	12	15,111
Sep 11	4,274	1,140	4,383	1,176	4,301	22	15,296

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural).

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

More than half of the project certificates issued during the quarter was for alterations (29%) and renovations (28%). 35% of certificates were issued for new single and multi-unit dwellings.

The number of certificates issued during the September quarter was marginally up 1% compared with the June quarter. Over the 12 months to September 2011, 57,973 certificates were issued, up 9% from the previous 12 months (53,270).

Figure C2.1 Total Number of project certificates issued during each quarter

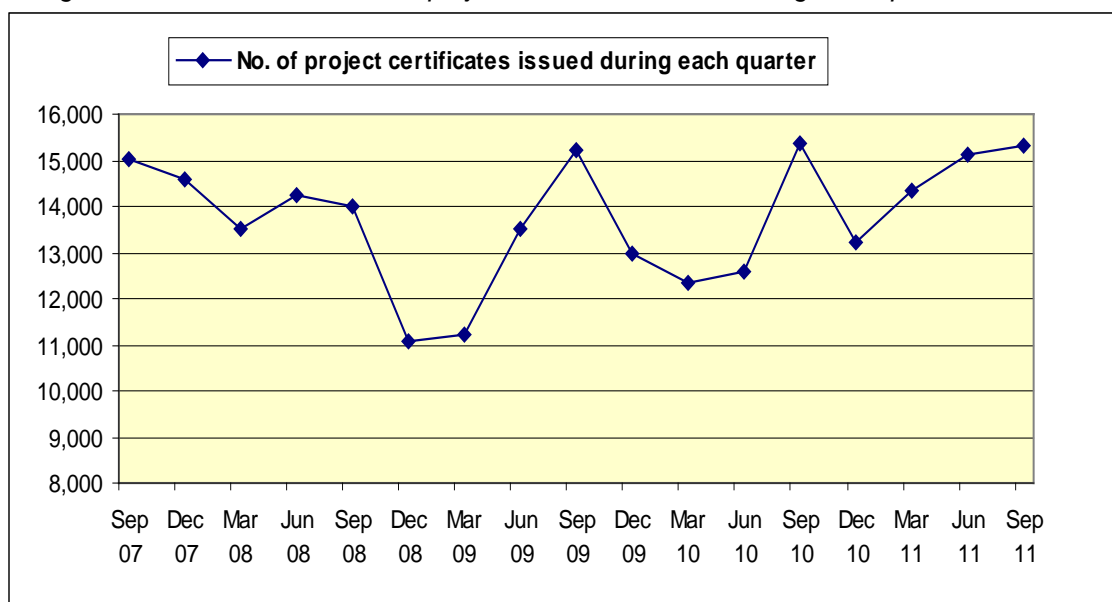


Table C2. Value of project certificates issued by type of cover during each quarter – (\$'million)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals (\$'million)	Average Value per Project Certificate (\$'000)
Sep 08	1,023	203	454	40	132	14	1,866	133
Dec 08	903	158	334	34	96	17	1,542	139
Mar 09	850	163	361	33	92	19	1,518	135
Jun 09	1,166	123	414	33	119	22	1,877	139
Sep 09	1,355	155	483	50	118	19	2,180	143
Dec 09	1,240	226	433	42	94	17	2,052	158
Mar 10	1,116	152	439	30	66	10	1,813	147
Jun 10	1,274	181	469	34	71	13	2,042	162
Sep 10	1,354	265	537	47	135	6	2,344	153
Dec 10	1,177	139	413	38	120	1	1,888	143
Mar 11	1,265	214	499	41	125	1	2,145	150
Jun 11	1,304	204	504	41	139	1	2,193	145
Sep 11	1,316	232	517	47	136	1	2,249	147

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

### C.3 Building approvals versus new project certificates issued – Builder and Owner-Builder

Table C3 and the figures following compare new project certificates issued with building approvals for new dwellings granted based on Australian Bureau of Statistics (ABS) data collected from NSW local government authorities. The ABS data does not distinguish between builders and owner-builders so we have combined them for this part of the analysis. We have endeavoured to exclude public sector work from the building approval data to enable like-for-like comparison.

Figures C3.1 and C3.2 show the detailed comparisons for numbers and values respectively of new dwellings and project certificates.

Table C3. Building approvals versus project certificates issued –  
All new dwellings of three storeys or less

Quarter	Numbers			Value of (\$m)		
	Certificates issued	Building Approvals	Ratio	Certificates issued	Building Approvals	Ratio
	(1)	(2)	(3)	(4)	(5)	(1)/(5)
Sep 08	4,958	5,321	93%	1,305	1,359	96%
Dec 08	3,954	4,414	90%	1,115	1,119	100%
Mar 09	4,118	3,727	110%	1,076	930	116%
Jun 09	5,128	4,372	117%	1,354	1,078	126%
Sep 09	6,086	5,715	106%	1,598	1,393	115%
Dec 09	5,257	5,694	92%	1,546	1,437	108%
Mar 10	4,839	4,943	98%	1,334	1,244	107%
Jun 10	5,334	5,810	92%	1,531	1,543	99%
Sep 10	5,900	5,290	112%	1,680	1,406	120%
Dec 10	4,875	5,284	92%	1,363	1,413	96%
Mar 11	5,240	5,699	92%	1,522	1,602	95%
Jun 11	5,560	5,436	102%	1,565	1,475	106%
Sep 11	5,591	5,667	99%	1,599	1,562	102%
<b>Average</b>	<b>5,381</b>	<b>5,391</b>	<b>100%</b>	<b>1,509</b>	<b>1,415</b>	<b>107%</b>

Notes: ABS8731.0 Building Approvals, Australia; Tables 12, 22 and 43

"Dwelling units approved in new residential buildings - New South Wales"

Figure C3.1 Numbers of building approvals versus certificates issued - Trend

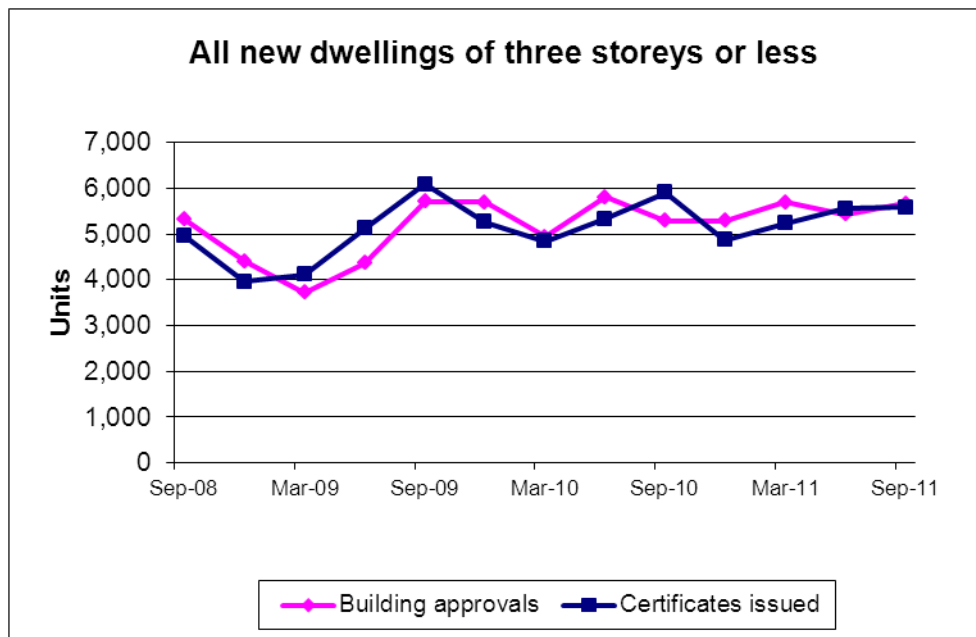
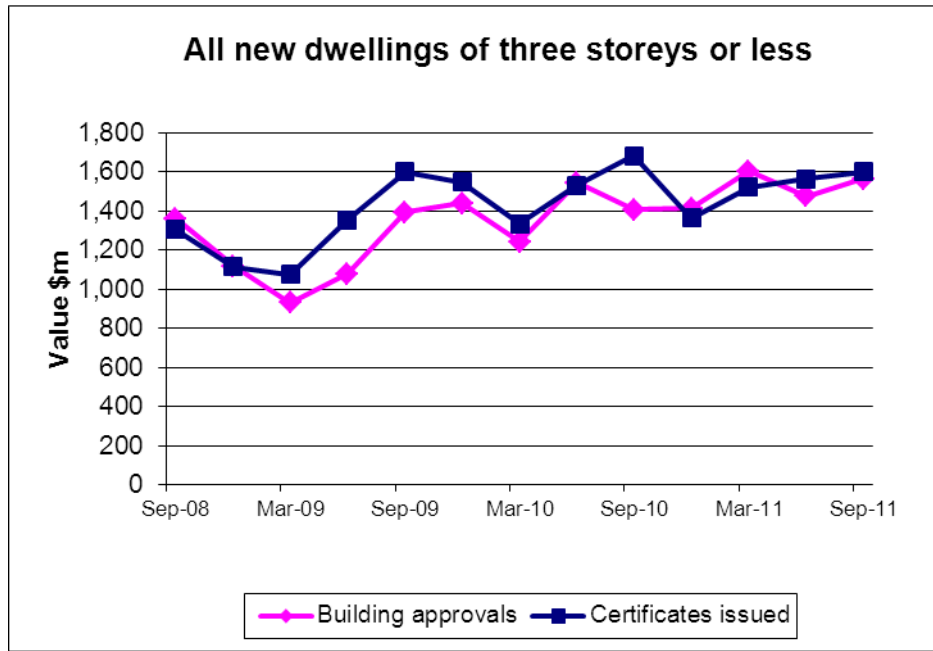


Figure C3.2 Value of building approvals versus certificates issued - Trend



#### D Premium Information - Builder

Insurers provide information to Fair Trading on the premium charged for project certificates issued to builders during the quarter. For the reports below, premium is shown on two bases: including charges and excluding charges. “Charges” refer to all commissions, government and other charges (i.e. GST, stamp duty, government levies and credit card surcharges) as reported by insurers to Fair Trading.

Premium excluding charges is the amount retained by the insurer to pay claims and the insurer’s expenses.

Premium including charges is intended to represent the amount paid by the builder including statutory charges such as GST. However, it excludes any fees charged by brokers or intermediaries in addition to the insurer’s premium. Any margin added by the builder in on-charging the premium to consumers also is not captured in the insurers’ data and is therefore not reported in the figures below.

## D.1 Total premiums by project type - Builder

Table D1.1 Written premium for project certificates issued (**including charges**) - (\$'000)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions#	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals (\$'000)
Sep 08	3,501	1,140	3,571	553	1,029	122	<b>9,916</b>
Dec 08	3,153	875	2,588	458	833	126	<b>8,033</b>
Mar 09	3,049	859	2,721	430	776	156	<b>7,991</b>
Jun 09	4,738	834	3,403	438	1,020	181	<b>10,614</b>
Sep 09	6,060	1,492	4,187	707	1,037	198	<b>13,681</b>
Dec 09	6,141	1,777	3,859	667	792	127	<b>13,363</b>
Mar 10	5,525	1,620	4,150	465	600	81	<b>12,441</b>
Jun 10	6,690	2,322	4,393	510	635	109	<b>14,659</b>
Sep 10	6,819	2,234	4,861	659	1,060	48	<b>15,681</b>
Dec 10	6,224	1,290	2,795	330	892	7	<b>11,538</b>
Mar 11	6,542	2,166	3,408	356	913	6	<b>13,391</b>
Jun 11	6,810	2,069	3,404	349	1,046	5	<b>13,683</b>
Sep 11	7,481	2,341	3,660	442	1,016	9	<b>14,949</b>

Total premiums (Tables D1.1) have increased 9% during the quarter. This reflects the net effects of a 1% increase in number of certificates issued (Table C1), and an 8% increase in average premium per certificate (Table D2.1). The latter, in turn, is in line with a 7% increase in average premium per \$1,000 value of Certificate (Table D2.2) and a 1% increase in average value per certificate (Table C2) issued compared to last quarter.

Table D1.2 Written premium for project certificates issued (**excluding charges**) - (\$'000)

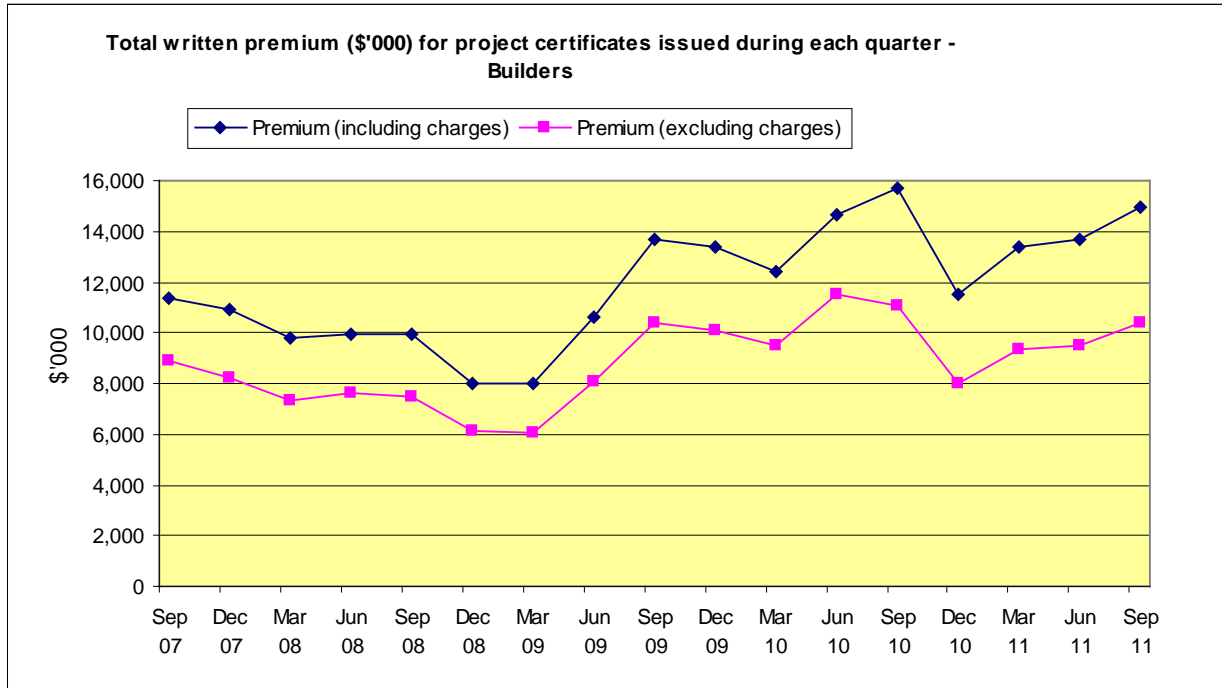
Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions#	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals (\$'000)
Sep 08	2,694	820	2,736	395	761	87	<b>7,493</b>
Dec 08	2,424	668	1,982	328	612	94	<b>6,108</b>
Mar 09	2,347	661	2,075	317	575	118	<b>6,093</b>
Jun 09	3,629	632	2,596	319	753	141	<b>8,070</b>
Sep 09	4,665	1,120	3,184	519	759	155	<b>10,402</b>
Dec 09	4,711	1,317	2,922	489	566	99	<b>10,104</b>
Mar 10	4,263	1,225	3,162	351	458	66	<b>9,525</b>
Jun 10	5,322	1,674	3,509	391	508	91	<b>11,495</b>
Sep 10	4,821	1,573	3,457	465	752	34	<b>11,102</b>
Dec 10	4,335	898	1,947	230	622	5	<b>8,037</b>
Mar 11	4,556	1,509	2,373	248	636	4	<b>9,326</b>
Jun 11	4,743	1,441	2,370	243	728	4	<b>9,529</b>
Sep 11	5,210	1,631	2,553	308	707	6	<b>10,415</b>

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

Figure D1.1 Trend in written premiums for project certificates issued during each quarter



## D.2 Average premium per project certificate - Builder

Table D2.1 Average Premium (including charges) per Project Certificate Issued by Type of Cover – (\$)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions#	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Average per certificate issued \$
Sep 08	992	947	829	507	276	740	707
Dec 08	1,044	1,148	817	497	276	722	726
Mar 09	1,014	972	845	461	265	583	711
Jun 09	1,126	1,192	937	528	267	597	787
Sep 09	1,221	1,751	1,018	535	280	834	900
Dec 09	1,525	1,834	1,020	577	273	849	1,029
Mar 10	1,443	2,059	961	565	241	928	1,009
Jun 10	1,590	2,569	1,125	614	240	981	1,163
Sep 10	1,532	1,787	1,145	573	252	1,094	1,022
Dec 10	1,562	1,794	834	323	215	404	872
Mar 11	1,579	2,300	862	333	217	459	935
Jun 11	1,579	1,990	866	353	217	431	906
Sep 11	1,750	2,054	835	376	236	409	977

Table D2.2 Average Premium (including charges) per \$1,000 of Value of Project Certificates issued by Insurer

Quarter /Type of cover	New single dwelling construction	New multi dwelling (less than or equal 3 storeys) *	Alterations/ Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Average rate per \$1,000 project value \$
Sep 08	3.42	5.62	7.87	13.31	7.82	8.70	5.31
Dec 08	3.49	5.55	7.74	13.47	8.69	7.63	5.21
Mar 09	3.59	5.28	7.55	12.96	8.41	8.12	5.26
Jun 09	4.06	6.79	8.21	13.26	8.58	8.14	5.65
Sep 09	4.47	9.61	8.67	14.21	8.80	10.29	6.28
Dec 09	4.95	7.85	8.92	15.94	8.44	7.47	6.51
Mar 10	4.95	10.64	9.45	15.66	9.07	8.20	6.86
Jun 10	5.25	12.80	9.37	15.21	8.97	8.37	7.18
Sep 10	5.04	8.43	9.04	13.91	7.88	8.43	6.69
Dec 10	5.29	9.25	6.77	8.78	7.46	6.56	6.11
Mar 11	5.17	10.14	6.83	8.61	7.33	7.23	6.24
Jun 11	5.22	10.15	6.75	8.55	7.52	7.35	6.24
Sep 11	5.68	10.12	7.07	9.31	7.46	7.57	6.65
# 12 months to Sep 11	5.34	9.98	6.86	8.83	7.45	7.16	6.32

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

Average premiums per \$1,000 value of certificate issued fell fairly consistently from September 2006 to June 2008 by about 27%, but increased by 44% from June 2008 to June 2010.

The insurance agents were underwriting against their own criteria up to 30 September 2010. The introduction of HWIF's new underwriting criteria and premium pricing structure from **1 October 2010** has resulted in systemic alterations in the premium rates applied. The new underwriting criteria include assessment of a number of risk factors such as location of the project, the value of the works (contract price) and the type of work (e.g. structural, non-structural, new multi dwellings, owner-builder etc.).

For the 12 months to 30 September 2011, the average premiums for:

- New Single and Multi Dwellings **increased** by 6% and 18% respectively, and
- Alterations/Additions and swimming pools **decreased** by 24% and 36% respectively, compared with September 2010.

The net effect of the above offsetting movements resulted in an overall 6% reduction in the average premium rates (per \$1,000 value of certificate) issued since 1 October 2010. **Refer Table D2.2.**

## **E Claims information - Builder**

The handling and management of claims by insurers is subject to *Claims Handling Guidelines* that are available on the Fair Trading website. Fair Trading is provided with data at the end of each quarter of all claims received by insurers in respect of HWI business issued after 1 July 2002.

The information set out below provides only a partial picture of HWI Scheme activity. Therefore, care must be taken in basing conclusions on trends that have emerged to date. The data in this publication relates only to project certificates issued from 1 July 2002 and to claims that have been notified to date on those certificates. **It does NOT include claims that have not yet been reported to insurers on those certificates or any provisions made by**

insurers in their accounts for the cost of unreported claims or cost escalation on reported claims. Also, it does not include any information on claims arising from project certificates issued prior to 1 July 2002, even though claims relating to prior years continue to be reported and settled in the post 1 July 2002 period.

## E.1 Number of claims by liability assessment status - Builder

Table E1 Cumulative Number of Claims by Liability Status at each quarter end

Quarter	Notification only #	Liability being assessed	Liability fully, partially or deemed accepted	Liability fully denied	Liability in dispute	Total
Sep 08	660	323	1,048	277	15	2,323
Dec 08	791	279	1,222	305	29	2,626
Mar 09	970	261	1,339	333	25	2,928
Jun 09	1,004	217	1,531	356	29	3,137
Sep 09	1,110	228	1,642	393	34	3,407
Dec 09	1,133	204	1,784	489	35	3,645
Mar 10	1,234	196	1,911	530	38	3,909
Jun 10	1,332	155	2,065	563	52	4,167
Sep 10	1,406	149	2,188	616	44	4,403
Dec 10	1,488	156	2,307	647	45	4,643
Mar 11	1,645	185	2,403	712	36	4,981
Jun 11	1,799	193	2,565	749	33	5,339
Sep11	1,977	227	2,693	807	29	5,733

# If a 'Notification' has not become a claim after an extended period, its status is recorded as 'Finalised' within the 'Notification' category. As at 30 September 2011, there were 1,625 such 'Notifications' which have been recorded as 'Finalised' with nil payment to claimant.

A significant number of claims were due to the Beechwood Homes collapse in May 2008. As at 30 September 2011, around 19% of accepted liability claims under the scheme relate to Beechwood claims.

## E.2 Reasons claims denied - Builder

Table E2. Number of claims with liability fully denied - breakdown by Reason Claim Declined – cumulative at end of each quarter

Quarter	Incorrect Insurer	Out of time	Builder found	Builder not dead	Builder not insolvent	Not deemed a defect	Total
Sep 08	0	46	36	1	68	126	277
Dec 08	0	49	42	1	88	125	305
Mar 09	0	32	50	1	114	136	333
Jun 09	0	32	54	1	114	155	356
Sep 09	0	35	59	2	121	176	393
Dec 09	1	40	66	2	123	257	489
Mar 10	1	43	65	2	131	288	530
Jun 10	1	50	66	2	133	311	563
Sep 10	2	52	68	2	137	355	616
Dec 10	2	53	69	2	147	374	647
Mar 11	2	57	74	2	176	401	712
Jun 11	2	56	76	2	203	410	749
Sep 11	3	61	77	2	216	448	807



### E.3 Claims experience - Builder

The remaining tables in this section show a further breakdown of the claims where liability has been accepted by the insurer in regards to builders (not owner-builders) as at **30 September 2011**. Information is shown separately between (a) claims that are finalised with all costs known and (b) those that are open, in which case at least part of the cost is an estimate of future payments.

Table E3. Claims Experience by Principal Cause (incl GST) – for Finalised Accepted\* Claims

Principal Cause	No. of Claims	Sum Paid to Claimant	Sum Paid to Third Parties	Total Gross Paid \$	Average Claim Size \$
A01: Insolvency	1,975	88,042,110	6,698,660	94,740,770	47,970
A02: Death	26	1,260,329	52,520	1,312,849	50,494
A03: Disappearance	91	4,674,750	363,887	5,038,637	55,370
<b>Total</b>	<b>2,092</b>	<b>93,977,189</b>	<b>7,115,067</b>	<b>101,092,256</b>	<b>48,323</b>

\*Accepted Claims are those in which liability is partially, fully or deemed accepted by the insurer.

"Paid to Claimant" includes all payments to the claimant or to suppliers involved in the rectification of the works. "Paid to Third Parties" includes payments to investigators, loss adjusters, legal expenses, etc. but not insurers' claims handling expenses (overheads).

Table E4. Claims Experience by Principal Cause (incl GST) – for Open\* Accepted Claims

Principal Cause	No. of Claims	Sum of Paid to Claimant	Sum of Paid to Third Parties	Net Outstanding Estimate \$	Estimated Total Claims Cost	Average Claim Size \$
A01: Insolvency	563	36,541,046	7,093,923	41,591,233	85,226,202	151,379
A02: Death	9	764,828	23,680	189,311	977,819	108,647
A03: Disappearance	29	1,664,379	198,184	2,356,786	4,219,349	145,495
<b>Total</b>	<b>601</b>	<b>38,970,253</b>	<b>7,315,787</b>	<b>44,137,330</b>	<b>90,423,370</b>	<b>150,455</b>

\*Open claims are claims which are not finalised.

Table E5. Claims Experience by Claim Code (incl GST) - for Finalised Accepted Claims

Claim Code	No. of Claims	Sum Paid to Claimant	Sum Paid to Third Parties	Total Gross Paid \$	Average Claim Size \$
T01: Failure to commence	133	3,227,233	94,390	3,321,623	24,975
T02: Failure to complete	855	46,608,123	3,099,238	49,707,361	58,137
T03: Structural defect	765	29,840,062	2,652,373	32,492,435	42,474
T04: Other loss#	339	14,301,771	1,269,066	15,570,837	45,932
<b>Total</b>	<b>2,092</b>	<b>93,977,189</b>	<b>7,115,067</b>	<b>101,092,256</b>	<b>48,323</b>

Table E6. Claims Experience by Claim Code (incl GST) – for Open Accepted Claims

Claim Code	No. of Claims	Sum of Paid to Claimant	Sum of Paid to Third Parties	Net Outstanding Estimate \$	Estimated Total Claims Cost	Average Claim Size \$
T01: Failure to commence	7	116,644	47,486	7,944	172,074	24,582
T02: Failure to complete	90	6,495,425	2,216,434	3,043,181	11,755,040	130,612
T03: Structural defect	433	27,795,914	4,117,185	32,189,409	64,102,508	148,043
T04: Other loss#	71	4,562,270	934,682	8,896,796	14,393,748	202,729
<b>Total</b>	<b>601</b>	<b>38,970,253</b>	<b>7,315,787</b>	<b>44,137,330</b>	<b>90,423,370</b>	<b>150,455</b>

# 'Other loss' claims are generally for non-structural defects.

Table E7. Claims Experience by Type of Cover (incl GST) – for Finalised Accepted Claims

Type of Cover	No. of Claims	Sum of Paid to Claimant	Sum of Paid to Third Parties	Total Gross Paid \$	Average Claim Size \$
C01 : New single dwelling construction	1,336	59,874,504	4,567,932	64,442,436	48,235
C02: New multi dwelling (greater than 3 storeys)	2	340,978	15,583	356,561	178,281
C03 : New multi dwelling (3 storeys and less)	278	12,896,885	1,060,252	13,957,137	50,206
C04 : Alterations/Additions	273	15,438,319	1,003,258	16,441,577	60,226
C05: Swimming Pools	130	2,568,684	347,415	2,916,099	22,432
C06 : Renovations (including kitchens and bathrooms)	34	1,142,517	68,163	1,210,680	35,608
C07: Other	39	1,715,302	52,464	1,767,766	45,327
<b>Total</b>	<b>2,092</b>	<b>93,977,189</b>	<b>7,115,067</b>	<b>101,092,256</b>	<b>48,323</b>

Table E8. Claims Experience by Type of Cover (incl GST) – for Open Accepted Claims

Type of Cover	No. of Claims	Sum of Paid to Claimant	Sum of Paid to Third Parties	Net Outstanding Estimate \$	Estimated Total Claims Cost	Average Claim Size \$
C01 : New single dwelling construction	287	12,519,159	3,111,604	11,348,671	26,979,434	94,005
C02: New multi dwelling (greater than 3 storeys)	11	981,953	729,615	8,024,295	9,735,863	885,078
C03 : New multi dwelling (less than or equal 3 storeys)	164	17,307,979	2,378,859	19,280,030	38,966,868	237,603
C04 : Alterations/Additions	95	7,434,965	966,821	4,094,900	12,496,686	131,544
C05: Swimming Pools	35	577,494	90,583	544,812	1,212,889	34,654
C06 : Renovations (including kitchens and bathrooms)	5	81,795	20,703	702,011	804,509	160,902
C07: Other	4	66,908	17,602	142,611	227,121	56,780
<b>Total</b>	<b>601</b>	<b>38,970,253</b>	<b>7,315,787</b>	<b>44,137,330</b>	<b>90,423,370</b>	<b>150,455</b>

#### E.4 Claims experience by year certificate issued

Table E9. Scheme Claims Experience to date by year of issue of project certificates (incl GST) – for all Accepted liability (finalised and open) claims: **builders and owner-builders combined**

Certificate calendar year of issue	No. of Claims	Sum of Paid to Claimant	Sum of Paid to Third Parties	Net Outstanding Estimate \$	Estimated Total Claims Cost	Average Claim Size \$
2002 (from 1/7/2002)	132	14,249,263	1,647,738	3,770,654	19,667,655	148,997
2003	341	19,202,575	3,092,037	19,620,289	41,914,901	122,918
2004	457	22,599,977	3,010,172	7,535,112	33,145,261	72,528
2005	324	13,047,263	1,616,808	3,503,614	18,167,685	56,073
2006	378	18,359,422	1,511,595	2,551,058	22,422,075	59,318
2007	631	26,734,274	2,071,335	3,879,435	32,685,044	51,799
2008	342	15,845,981	1,203,962	2,684,731	19,734,674	57,704
2009	106	6,783,916	257,299	1,605,510	8,646,725	81,573
2010	44	1,233,279	528,703	431,358	2,193,340	49,849
2011	9	208,769	68,751	13,008	290,528	32,281
<b>Total</b>	<b>2,764</b>	<b>138,264,719</b>	<b>15,008,400</b>	<b>45,594,769</b>	<b>198,867,888</b>	<b>71,949</b>

This table shows the claims experience to date split by the year the project certificate was issued. For reasons explained in Section 2, this data provides an incomplete view of the claims

experience for each year. For all years of issue, even for the earliest under the current scheme with certificates issued in 2002 and 2003, the number of claims and amount paid on claims will continue to increase over the next few years because:

- there may be significant delay between the date a project certificate is issued and the commencement of the project;
- the duration of building projects may range from a few weeks to a few years;
- coverage remains in place for six years after project completion; and
- it may take some time for home owners to identify a loss, lodge a claim with an insurer and for the insurer to assess the claim and arrange rectification.

The impact of these factors is even greater for more recent years.

Insurers have also estimated additional costs of \$27 million in respect of claims in which liability have **not** been determined.

Insurers do manage to recover some claim payments, generally as creditors of insolvent builders. Since the scheme commenced, some \$5m has been recovered or about 2% of estimated total claims cost to date.

A significant proportion of the Accepted Liability claims for project certificates issued in the 2006, 2007 and 2008 calendar years relate to the Beechwood collapse.

Overall for the Scheme, the number of **accepted liability** claims is up 129 or 5%, and the reported costs up \$15 million or 8%, since the last quarter.

## Part II Owner-Builder Information

This section sets out data for owner-builders (OB) in a similar format to that shown earlier for builders. Not all tables in Part I have a corresponding table in this section as some data is not relevant or available in respect of owner-builder insurance.

### OB.C Project Certificate information – Owner-Builder

#### OB.C2 New project certificates issued – Owner-Builder

Table OB.C2. Number of project certificates issued by type of cover

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals
Sep 08	218	7	177	11	14	2	429
Dec 08	171	1	165	11	25	0	373
Mar 09	226	0	156	10	10	0	402
Jun 09	222	0	221	16	10	1	470
Sep 09	269	0	226	12	3	0	510
Dec 09	260	0	230	10	1	0	501
Mar 10	224	0	191	17	0	0	432
Jun 10	221	0	207	18	0	0	446
Sep 10	200	0	168	7	0	0	375
Dec 10	173	0	191	13	5	3	385
Mar 11	152	3	156	13	4	4	332
Jun 11	199	7	179	12	3	1	401
Sep 11	175	2	180	6	1	2	366

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural).

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

Figure OB.C2.1 Total Number of project certificates issued during each quarter

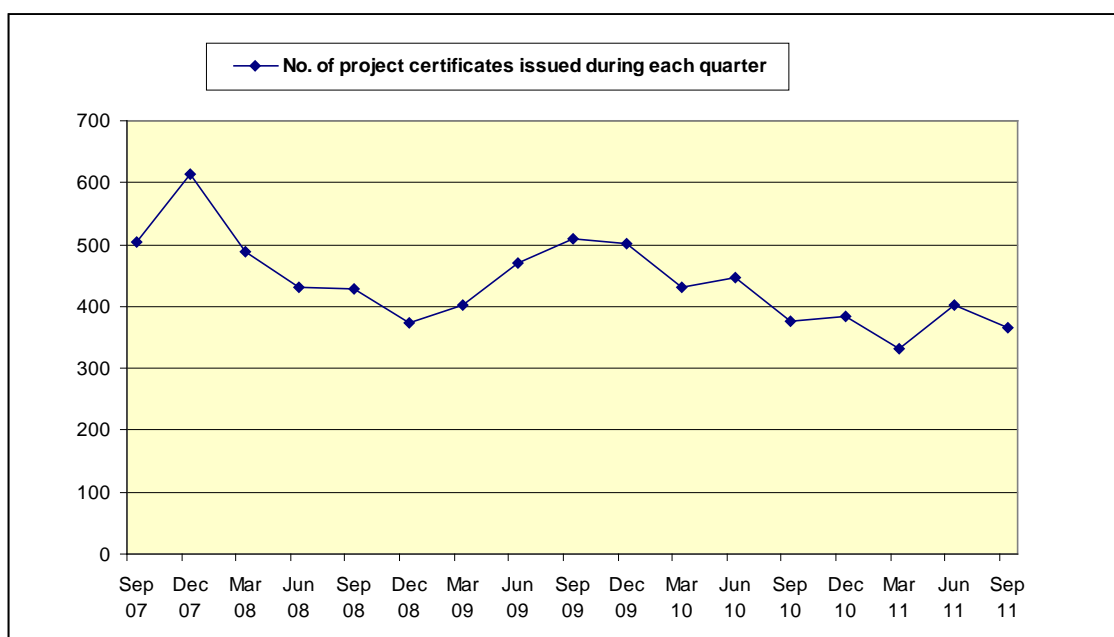


Table OB.C3. Value of project certificates issued by type of cover – (\$'000)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals	Average Value per Project Certificate (\$'000)
Sep 08	77,186	2,018	25,979	383	1,718	74	107,358	250
Dec 08	53,785	170	19,744	238	3,281	0	77,218	207
Mar 09	63,048	0	20,752	450	890	0	85,140	212
Jun 09	64,694	0	28,027	1,061	757	59	94,598	201
Sep 09	87,514	0	27,332	289	490	0	115,625	227
Dec 09	79,572	0	28,495	272	70	0	108,409	216
Mar 10	66,358	0	20,455	457	0	0	87,270	202
Jun 10	75,764	0	29,919	347	0	0	106,030	238
Sep 10	61,250	0	17,839	167	0	0	79,256	211
Dec 10	47,033	0	23,635	353	294	665	71,980	187
Mar 11	42,306	675	19,254	447	245	720	63,647	192
Jun 11	56,327	1,160	22,042	328	104	91	80,052	200
Sep 11	50,091	620	21,195	168	40	444	72,558	198

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

## OB.D Premium Information- Owner-Builder

### OB.D1 Total premiums by project type – Owner-Builder

Table OB.D1.1 Written premium for project certificates issued (including charges) - (\$'000)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions#	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals
Sep 08	444	13	233	10	18	1	719
Dec 08	310	1	186	8	41	0	546
Mar 09	406	0	182	7	12	0	607
Jun 09	425	0	281	26	17	1	750
Sep 09	541	0	292	12	7	0	852
Dec 09	573	0	312	13	1	0	899
Mar 10	442	0	237	20	0	0	699
Jun 10	474	0	322	20	0	0	816
Sep 10	438	0	225	8	0	0	671
Dec 10	438	0	237	6	2	6	689
Mar 11	427	11	198	7	2	7	652
Jun 11	498	16	200	4	1	1	720
Sep 11	443	9	199	2	0	4	657

Table **OB D1.2** Written premium for project certificates issued (**excluding charges**) - (\$'000)

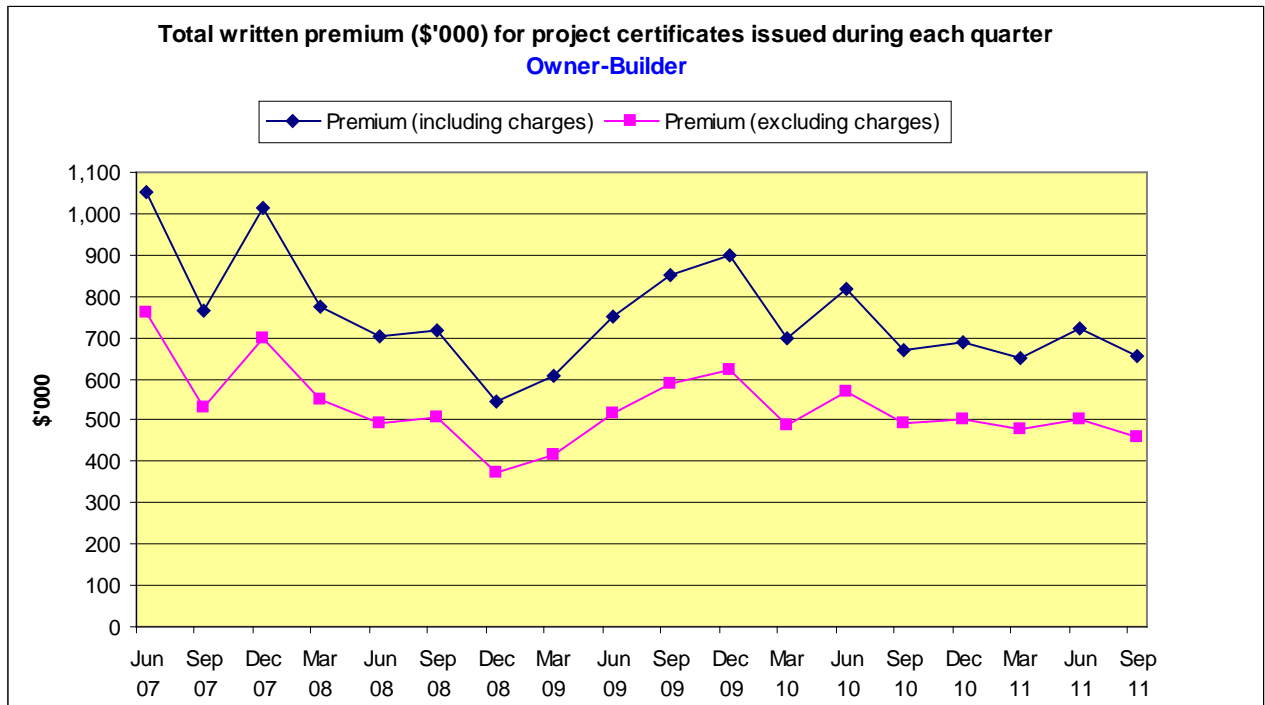
Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions#	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Totals (\$'000)
Sep 08	314	11	163	8	12	1	509
Dec 08	215	1	128	5	23	0	372
Mar 09	282	0	124	5	7	0	418
Jun 09	294	0	193	19	9	1	516
Sep 09	373	0	200	9	4	0	586
Dec 09	398	0	212	9	1	0	620
Mar 10	310	0	164	15	0	0	489
Jun 10	329	0	223	15	0	0	567
Sep 10	322	0	166	6	0	0	494
Dec 10	319	0	173	4	2	4	502
Mar 11	313	9	145	5	1	5	478
Jun 11	347	12	139	3	0	0	501
Sep 11	308	7	138	2	0	2	457

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

Figure **OB.D1.1** Trend in written premiums for project certificates issued during each quarter



## OB.D2 Average premium per project certificate – Owner-Builder

Table OB.D2.1 Average Premium (including charges) per Project Certificate Issued by Type of Cover (\$)

Quarter /Type of cover	New single dwelling construction	New multi dwelling (3 storeys or less) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Average per certificate issued \$
Sep 08	2,037	1,803	1,318	954	1,270	546	1,677
Dec 08	1,819	1,093	1,125	706	1,623	0	1,464
Mar 09	1,797	0	1,163	737	1,171	0	1,509
Jun 09	1,913	0	1,274	1,603	1,706	1,128	1,596
Sep 09	2,009	0	1,292	1,041	2,260	0	1,670
Dec 09	2,202	0	1,356	1,345	748	0	1,794
Mar 10	1,971	0	1,243	1,182	0	0	1,618
Jun 10	2,146	0	1,553	1,110	0	0	1,829
Sep 10	2,188	0	1,342	1,144	0	0	1,789
Dec 10	2,530	0	1,242	446	488	1,872	1,789
Mar 11	2,808	3,867	1,270	513	500	1,655	1,963
Jun 11	2,501	2,331	1,118	355	214	628	1,795
Sep 11	2,529	4,684	1,105	366	282	1,712	1,795

Table OB.D2.2 Average Premium (including charges) per \$1,000 of Value of Project Certificates issued by Insurer

Quarter /Type of cover	New single dwelling construction	New multi dwelling (less than or equal 3 storeys) *	Alterations /Additions #	Swimming Pools	Renovations (including kitchens and bathrooms) ^	Other	Average rate per \$1,000 project value \$
Sep 08	5.75	6.25	8.98	27.42	10.35	14.76	6.70
Dec 08	5.78	6.43	9.40	32.70	12.36	0	7.07
Mar 09	6.44	0	8.74	16.38	13.16	0	7.13
Jun 09	6.56	0	10.04	24.18	22.54	19.12	7.93
Sep 09	6.18	0	10.69	43.29	13.84	0	7.37
Dec 09	7.20	0	10.94	49.41	10.69	0	8.29
Mar 10	6.65	0	11.60	43.98	0	0	8.01
Jun 10	6.26	0	10.74	57.67	0	0	7.69
Sep 10	7.15	0	12.63	48.00	0	0	8.47
Dec 10	9.31	0	10.03	16.42	8.31	8.45	9.57
Mar 11	10.09	17.19	10.29	14.93	8.17	9.19	10.24
Jun 11	8.84	14.07	9.08	12.96	6.18	6.90	8.99
Sep 11	8.84	15.11	9.39	13.08	7.05	7.72	9.05
12 months to Sep 11	9.22	15.19	9.69	14.60	7.86	8.49	9.43

\* A project certificate is issued for each unit in a multi-unit development.

# Alterations and additions - structural (i.e. the majority of the work is structural)

^ Renovations - non-structural (i.e. the majority of the contract is non structural), including e.g. kitchen/bathroom renovations and trade work.

Premium rates for owner-builders are generally higher than for corresponding work done by builders. This may reflect insurer expectations of higher costs of claims for structural and non-structural defects in respect of owner-builders compared to licensed builders.

As noted in section D2 (builders), the insurance agents were underwriting against their own criteria up to 30 September 2010. The new HWIF underwriting criteria and premiums pricing structure was effective from **1 October 2010**, which include an assessment of a number of risk factors such as location of the project, the value of the works (contract price) and the type of work (e.g. structural, non-structural, new multi dwellings, owner-builder etc.).

## OB.E Claims Information- Owner-Builder

### OB.E1 Number of claims by liability assessment status – Owner-Builder

Table OB.E1 Number of Claims by Liability Status at each quarter end

Quarter	Notification only	Liability being assessed	Liability fully, partially or deemed accepted	Liability fully denied	Liability in dispute	Total
Sep 08	4	8	29	60	0	101
Dec 08	3	8	33	65	2	111
Mar 09	3	4	29	64	4	104
Jun 09	4	9	34	65	5	117
Sep 09	6	9	37	71	6	129
Dec 09	5	11	44	81	7	148
Mar 10	5	9	50	91	6	161
Jun 10	12	6	57	94	2	171
Sep 10	12	6	60	96	4	178
Dec 10	20	10	67	94	4	195
Mar 11	25	4	70	103	3	205
Jun 11	29	2	70	116	4	221
Sep 11	33	6	71	128	3	241

### OB.E2 Reasons claims denied – Owner-Builder

Table OB.E2. Liability fully denied – breakdown by Reason Claim Declined

Quarter	Out of time	Builder found	Builder not dead	Builder not insolvent	Not deemed a defect	Total
Sep 08	1	47	2	10	0	60
Dec 08	1	48	2	14	0	65
Mar 09	1	50	2	11	0	64
Jun 09	1	52	1	11	0	65
Sep 09	2	55	1	13	0	71
Dec 09	3	64	1	12	1	81
Mar 10	5	66	1	13	6	91
Jun 10	5	67	1	15	6	94
Sep 10	6	68	1	15	6	96
Dec 10	6	65	1	15	7	94
Mar 11	7	70	1	18	7	103
Jun 11	7	80	1	21	7	116
Sep 11	8	87	1	24	8	128



### OB.E3 Claims experience - Owner-Builder

The remaining tables in this section show a further breakdown of the claims as at 30 September 2011 where liability has been accepted as at that date. Both open and finalised claims are included in these tables.

Table OB.E3. Claims Experience by Principal Cause (incl GST) - Accepted\* Claims

Principal Cause	No. of Claims Reported	No. of claims Open	Total amounts paid to date \$	Estimated Total Claims Cost \$	Average Claim Size \$
A01: Insolvency	19	5	1,620,861	1,849,821	97,359
A02: Death	5	1	171,939	207,130	41,426
A03: Disappearance	47	10	4,102,022	5,295,311	112,666
<b>Total</b>	<b>71</b>	<b>16</b>	<b>5,894,822</b>	<b>7,352,262</b>	<b>103,553</b>

\*Accepted Claims are those in which liability is partially, fully or deemed accepted by the insurers.

"Total amounts paid to date" includes all payments to the claimant or to suppliers involved in the rectification of the works; payments to third parties such as investigators, loss adjusters, legal expenses, etc.). Insurers' own claim handling expenses (overheads) are excluded.

Disappearance of builder is the dominant cause of claims with respect to owner-builders, in contrast to claims against builders which are predominantly in respect of builder insolvency.

Table OB.E4. Claims Experience by Claim Code (incl GST) – Accepted Claims

Claim Code	No. of Claims Reported	No. of claims Open	Total amounts paid to date \$	Estimated Total Claims Cost \$	Average Claim Size \$
T03: Structural defect	66	16	5,490,439	6,947,879	105,271
T04: Other loss*	5	0	404,383	404,383	80,877
<b>Total</b>	<b>71</b>	<b>16</b>	<b>5,894,822</b>	<b>7,352,262</b>	<b>103,553</b>

\* 'Other loss' claims are generally for non-structural defects.

Non-commencement and non-completion are not applicable as to the circumstances giving rise to claims against owner-builders.

Table OB.E5. Claims Experience by Type of Cover (incl GST) – Accepted Claims

Type of Cover	No. of Claims Reported	No. of claims Open	Total amounts paid to date \$	Estimated Total Claims Cost \$	Average Claim Size \$
C01 : New single dwelling construction	53	11	4,189,331	5,395,621	101,804
C03 : New multi dwelling (3 storeys and less) *	2	2	161,105	366,064	183,032
C04 : Alterations/Additions	15	3	1,441,767	1,487,958	99,197
C05: Swimming Pools	0	0	0	0	0
C06 : Renovations (including kitchens and bathrooms)	0	0	0	0	0
C07: Other	1	0	102,619	102,619	102,619
<b>Total</b>	<b>71</b>	<b>16</b>	<b>5,894,822</b>	<b>7,352,262</b>	<b>103,553</b>

\*Multi-unit claims for common areas are averaged over all units within a development

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