

# NEWS AND VIEWS

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## TOPICS THIS ISSUE

- Fire Service Levy Increases
- EQC Levy Increases
- Meth? What to do?
- Earthquake Claims: Kaikoura Earthquake
- New Product: Cyber

## BIG CHANGES TO GOVERNMENT LEVIES

### Fire Service Levy

Government has confirmed the fire service levy is to increase by 40%. This increase is a result of a decision to amalgamate urban and rural fire services and shift virtually all the resulting costs onto insurance.

These changes take effect from 1<sup>st</sup> July 2017.

Residential	
Current 2016/17 levy	New 2017/18 levy
7.60c per \$100 insured	<b>10.60c</b> per \$100 insured
Insured amounts capped at \$100,000 for residential buildings and \$20,000 for contents	No change
Maximum levy payable per house is \$76 and \$15.20 for personal property	Increases to <b>\$106</b> payable per house and <b>\$21.20</b> for personal property
Non Residential	
Current 2016/17 levy	New 2017/18 levy
7.60c per \$100 insured (uncapped)	<b>10.60c</b> per \$100 insured (uncapped)
Motor Vehicles (less than 3.5 tonne)	
Current 2016/17 levy	New 2017/18 levy
\$6.08 (flat rate)	<b>\$8.45</b> (flat rate)

### EQC Levy to rise 33%

Homeowners' insurance premiums are set to rise by up to \$69 a year, as Government aims to top up a natural disaster fund depleted by the Canterbury and Kaikoura earthquakes.

At present, insured homeowners pay a premium rate of 15c per \$100 of insurance cover, to a maximum of \$207 a year. (Based on the maximum cover of \$100,000 for buildings and \$20,000 for contents)

As of November, that will rise to 20c per \$100 of cover, to a maximum of \$276 a year. "This is an increase of up to \$69 per homeowner per year," Finance Minister Steven Joyce said today.

The levies would help to top up the National Disaster Fund, which pays out claims related to earthquake damage. The fund has paid out \$9.5 billion so far in claims to people affected by the Canterbury earthquakes. Another \$550m is expected to be paid out for claims related to the Kaikoura Earthquake.

**In total this means for those wishing to cover their house and contents will in future be paying \$385 in taxes and levies before they get to pay anything for insurance.**

## DO YOU OWN A RENTAL PROPERTY AND WORRIED ABOUT METH CONTAMINATION?

Meth. It's in the news, in the papers, and in the forefront of most landlords minds. The statistics have been released that 1 in 5 people are smoking Meth now. Canterbury being the worst region for this problem. The insurers are trying to offer a solution to the problem. You can now buy an endorsement to extend your rental dwelling policy to include damage from Meth.

NZI limit is \$50,000 – compulsory with all NZI rental dwelling policies

Vero limit is \$30,000 - Optional Cover. If you have the Landlords Extension you will have this limit

Important Reminder: All landlords must have abided by the "Landlords Obligations" for this cover to apply in the event of a claim. Please call us if you have not received this document.



## EARTHQUAKE CLAIMS: KAIKOURA UPDATE

Insurer Update: They are working through the most affected property assessments first. They hope to have ALL claims assessed by December 2017. In the meantime, if you have lodged a claim with EQC and have not advised us of this, please give Kelly a call on 03 365 7171 so we can assist with your claim.

## NEW PRODUCT: CYBER INSURANCE

As technology evolves and more and more businesses are relying on it, the risk of disruption is greater. NZI have released a policy to protect you and your IT systems. NZI Cyber Ultra covers you for the following;

- Loss of personal or corporate information (including employee information).
- Loss of personal information held by service providers (for example, the Cloud, or internet service providers).
- Lost, damaged or destroyed IT systems and IT records/data.
- Costs of retrieving, repairing, restoring or replacing data, systems or hardware.
- Costs of external IT forensic or security consultants.
- Loss of profits due to a cyber event (with no indemnity period restriction, subject to a time excess of 12 hours).
- Liability arising from hacker attacks or viruses.
- Loss or theft of your data (or data for which you are responsible).
- Loss by phishing emails or denial of services attacks.
- Attacks by employees and third parties.



Please call us if you would like more information.

