

13 February 2026

Jared Orth
Senior Manager, Code Compliance and Monitoring
General Insurance Code Governance Committee
by email: jared.orth@codecompliance.org.au
cc. info@codecompliance.org.au

Dear Mr Orth

CGC Monitoring & Compliance Priorities 2026-27

Thank you for the opportunity to provide input into the Code Governance Committee's (CGC) 2026-27 Monitoring & Compliance Priorities Consultation.

The Financial Rights Legal Centre (**Financial Rights**), Consumer Action Law Centre (**Consumer Action**) and Financial Counsellors' Association of Western Australia (**FCAWA**) generally supports the CGC continuing to prioritise work on:

- complaints handling
- identification and treatment of vulnerable consumers
- financial hardship
- temporary accommodation
- Scope of works
- Cash settlements
- Claims delays and external experts

We do so on the basis that:

- a. we had put forward these issues as areas the CGC should prioritise during the 2025-26 consultation and these continue to be the key issues we see on our respective services
- b. natural hazards continue to impact Australians, with their flow on impacts on home and building insurance, and
- c. the general insurance sector has yet to collectively act on these issues with either a strengthened code of practice in line with the Independent Code Review or any other actions arising out of responding to the Parliamentary Inquiry into the 2022 Floods.

Complaints handling and Vulnerability

To further support the work the CGC is undertaking with respect to complaints handling and vulnerability – we have outlined below some of the insights we have seen in our recent work with insurers:

- a continued over-reliance on “wear and tear,” defect clauses etc with little evidence connecting the wear and tear to the damage
- a lack of clear, proactive and transparent communication from insurers including instances of drowning consumers in multiple emails/calls per day, some of which say little if anything useful. We note communication was a key concern in ASIC’s recent Navigating the Storm report.¹
- a lack of a central contact point with insurers referring customers and their representatives back and forth across departments. For example, customers are told that the ‘claims’ section manages this part, and that they need to contact this section, or customer services manages this other part and you’ll have to contact them for the claims notes. This practice can frustrate and lead to people giving up on engaging with their insurer
- asking consumers to withdraw a claim rather than providing a formal decline with information for how they can make a complaint through the internal dispute or external dispute resolution processes
- claims/customer representatives minimising customer’s experiences by stating things on the phone such as “there wasn’t a storm/flood that day”
- recent natural disasters continuing to exacerbate all the issues outlined above, particularly for vulnerable consumers

Cash settlements

We also support the committee’s ‘continuing activities’ relating to cash settlements. We continue to assist clients who have been provided with quotes from their insurer for repair works with the costings redacted, making it close to impossible for them to determine if a cash settlement is sufficient, or to obtain a comparable quote. This is a deliberate information asymmetry, and it results in poor outcomes and delayed resolutions. A consumer is not able to action a quote where it does not adequately describe the work required.

We also continue to see clients subject to unreasonable pressure to accept cash settlements.

¹ [ASIC REP 768 Navigating the storm: ASIC's review of home insurance claims](#)

Temporary Accommodation

We support the committee's continued focus on temporary accommodation as an 'area of interest', and note the Committee is currently progressing a thematic inquiry into vulnerable consumers in temporary accommodation. We continue to see in our frontline services cases of poor management of temporary accommodation by insurers and their contractors resulting in a policy holder's entitlements being rapidly exhausted due to no fault of their own. Typically, this includes:

- (1) booking short-term accommodation when a property is obviously uninhabitable for weeks or months;
- (2) moving people into inappropriate accommodation – too few bedrooms, no outdoor space for pets, or no cooking facilities, which are then substituted for other accommodation.

These scenarios can result in higher rates per night, additional cleaning and administration fees, and additional transport expenses between accommodations. Failing to book accommodation in a timely manner when a suitable option has been found, meaning that it becomes unavailable or rates increase, and requires the insurer to authorise alternative temporary accommodation.

As a result of advocacy at IDR or AFCA many clients have been paid benefits beyond the policy, but these outcomes should not rely on the policy holder having the support of an advocate.

We also frequently see claims where insurers have failed to provide adequate notice to their policy holder about temporary accommodation bookings, resulting in unnecessary mental stress for individuals already dislocated from their community as they wait to hear where they will have to move, and even when they will have to pack up.

One client Consumer Action assisted was not told of her next accommodation until the day she was due to leave her current booking on multiple occasions. This caused her significant stress and eroded trust in the claims progress.

Premium comparison and pricing transparency

We note that the CGC have listed pricing transparency as a main priority in its 2025-26 monitoring priorities. Our understanding though is that investigations that are taking place relate to the poverty premium and insurers' meeting the requirements of Clause 21 regarding being honest, efficient, fair, transparent and timely in their dealings with consumers.

While this issue is an important one and we support the work being conducted here – there is further specific monitoring work that needs to be conducted with respect to insurers meeting the requirements of Clause 50 regarding premium comparisons.

Clause 50 requires insurers to give consumers a comparison between this year and last year's premium in their renewal notice *and* explain to you how it is calculated.

We hold serious concerns with respect to the way the sector is meeting or not meeting the requirements of this clause.

In September 2025, ASIC initiated court action against RACQ alleging that they sent half a million misleading insurance renewal comparisons for more than 5 years.² They allege that,

in many cases, the 'last period premium' amount was higher than what customers had paid (or were paying) after negotiating discounts or making a change to their policy that affected the premium, leading to a distorted view of how much their premium was actually increasing.

This is in line with ASIC announced 2026 priority tackling misleading pricing practices impacting cost of living for Australians.

In addition to this we have seen statements on renewal notices that suggest that the comparison being made is not one of apples with apples.

Suncorp's renewal notice provides the following generic statement:

When referring to an amount from 'last year' on this notice

If you have made a change to your policy in the last 12 months, when we refer to an amount from last year, it may not be the amount you paid. To provide a more useful comparison, we are showing you an amount for your cover as of your most recent change. The amount from last year has been provide for comparison purposes only and should not be used for tax purposes.

In other words, the information being provided may not in fact be a direct comparison.

When taking a look at Suncorp's comparison table there are a number of issues that arise:

² ASIC, [ASIC takes court action alleging RACQ sent half a million misleading insurance renewal comparisons](#), 23 September 2025

Your Premium Details

The premium comparison has been included to assist you in understanding the changes to your premium, including the impact of any taxes and charges. The premium shown includes any discounts.

Type of Cover	Sum Insured	Base Premium	FSL/ESL	GST	Stamp Duty	Total Amount
Last Year						
Your Home	\$ 784,000	\$ 1,746.65	\$ 244.53	\$ 199.12	\$ 197.13	\$ 2,387.43
Your Contents	\$ 156,300	\$ 598.70	\$ 83.82	\$ 68.25	\$ 67.57	\$ 818.34
This Year						
Your Home	\$ 831,000	\$ 2,541.53	\$ 349.46	\$ 289.10	\$ 286.21	\$ 3,466.30
Your Contents	\$ 164,100	\$ 784.55	\$ 107.88	\$ 89.24	\$ 88.35	\$ 1,070.02
This Year's GST / Total Amount				\$ 378.34		\$ 4,536.32

The first is that there is no total amount provided for the previous year. Last year's premium is not there. Yes, it can be obtained through addition but it is not shown in a simple manner, or at least in a manner that meets either the letter or the spirit of Clause 50. In doing so it unreasonably focusses on this year's premium and obfuscates the previous year's premium.

The second is the form of a table is complex and not easy to read nor comprehend. While we welcome the ability to compare sum insured figures, placing that figure amongst a broken-down premium comparison in this table complicates and confuses matters.

Further the explanation is generic and uninformative. The Suncorp renewal notice states:

Why your premium may change

Each year your premium is likely to change even if your circumstances haven't. Factors like the claims we experience, improved data and changes to business costs can have an impact. Changes to rewards, discounts or free coverage you received last year may now impact your premium. Please see premium comparison for further information.

This is in our view not an explanation that would meet the requirements of Clause 50. Insurers need to explain why there is a difference specific to that consumer – not simply provide a generic statement that does little to assist understanding why there is a difference.

Suncorp is not alone. The statement on a Commonwealth Bank Home Insurance renewal notice states:

*"You may note that your premium and/or basic excess has changed since your last period of insurance. This is because we regularly review the **significant factors applicable to your circumstances** using the **latest available information** about these factors across Australia – including **location and/or previous claims**. This practice is in line with our commitment to ensuring a fair approach to pricing for our customers. To review your*

excesses please refer to the table in the Your Excess section of these documents.” (our emphasis)

This too explains nothing. What significant factors are applicable to the circumstances? What latest available information?

We recommend that the CGC closely how insurers meet the requirements of Clause 50.

Third party authorities

We have noted ongoing issues with insurers refusing to recognise valid Third Party Authorities. Consistent acceptance of authorised representatives remains essential to fair and accessible claims handling. We think it is worth examining insurer’s compliance with Clause 98 that insurers will “try to make sure our processes are flexible enough to recognise the authority of your support person.”

Concluding Remarks

Thank you again for the opportunity to comment. If you have any questions or concerns regarding this submission please do not hesitate to contact Financial Rights on (02) 9212 4216.

Kind Regards,



Drew MacRae
Senior Policy and Advocacy Officer
Financial Rights Legal Centre

About Financial Rights

Financial Rights is a community legal centre that specialises in helping consumers understand and enforce their financial rights, especially low income and otherwise marginalised or vulnerable consumers. We provide free and independent financial counselling, legal advice and representation to individuals about a broad range of financial issues. Financial Rights operates the National Debt Helpline, which helps NSW consumers experiencing financial difficulties. We also operate the Insurance Law Service which provides advice nationally to consumers about insurance claims and debts to insurance companies, and the Mob Strong Debt Help services which assist Aboriginal and Torres Strait Islander Peoples with credit, debt and insurance matters.