Submission by the Financial Rights Legal Centre

to the Insurance Council of Australia's

Consultation on a Redrafted General Insurance Code of Practice, June 2024

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Consultation on a Redrafted General Insurance Code of Practice

Introduction

Thank you for the opportunity to provide feedback on the redrafted General Insurance Code of Practice. This submission has been drafted by Financial Rights Legal Centre on behalf of:

- ARC Justice
- Australian Consumers Insurance Lobby
- CHOICE
- Consumer Law Action Centre (Consumer Action)
- Council of the Aging (COTA)
- Financial Counselling Australia (FCA)
- Financial Counselling Victoria
- Mob Strong Debt Help
- Owners Corporation Network
- Westjustice

In line with the request by the Insurance Council of Australia (**ICA**) to identify any use of AI in a response, we would like to make it clear that *no AI* has been used to generate this feedback, including the analysis upon which it is based and the drafting of the material. Financial Rights has long been identifying systemic issues in general insurance based on our experience with working with consumers on the Insurance Law Service. This submission further draws on the coal face experience of our partner consumer organisations who have provided significant evidence in a large number of prior submissions to this ongoing Independent Code Review (**Code Review**)[1] and the final report of the Parliamentary Inquiry into insurers' responses to 2022 major floods claims (**Parliamentary Flood Inquiry**).[2] We also note that individual signatories of this submission will be providing separate submissions to this consultation with further evidence of ongoing poor claims handling practices.

[1] Independent Review of the 2020 General Insurance Code of Practice, Initial Report and Final Report, December 2024

[2] House of Representatives Standing Committee on Economics, Flood failure to future fairness Report on the inquiry into insurers' responses to 2022 major floods claims, October 2024

Executive Summary

Australian insurance policyholders have waited years for a stronger, more enforceable General Insurance Code of Practice (**the Code**). While the redrafted code includes some new protections, it fails to deliver for consumers in significant ways.

We welcome the new protections including strengthened requirements for primary points of contact and cash settlements, an expanded definition of urgent financial need and commitments to help customers impacted by family violence. We also welcome the announced intention for the Code to be enforceable as a part of the contract between insurers and the consumer, thus ensuring that the promises made in the Code will for the first time be able to be truly reliable.

However, the trade-off for an enforceable Code cannot be a weakened Code.[3].

Firstly, the re-drafted Code has watered down and removed commitments from the current Code. Specifically, there are 65 current clauses containing consumer protections (or 28% of existing Code commitments), that in their transfer to this redrafted Code have either disappeared or gone backwards. When viewed as a whole, these changes result in a significant reduction in protections for consumers of general insurance products. The redraft has:

- undermined the independence and effectiveness of the Code Governance Committee (**CGC**), counter to the expectations of the Australian Securities and Investments Commission (**ASIC**) Regulatory Guide (**RG**) 183
- amended timeframes in ways that either render them unable to be relied upon or have gone backwards
- weakened commitments previously made to rein in harm to consumers arising out of historically poor investigation practices, and
- broadened the range of reasons that insurers can delay claims decisions in ways that act like a get out of gaol free card, without counterbalancing these with commitments to assist consumers.

These need to be addressed in a final Code provided to ASIC for approval. Both industry and its regulator must recognise that self-regulation is a privilege not a right.

[3] "It is a commendable step to make the general insurance code enforceable by contract. But if the provisions themselves do not improve overall levels of consumer protection, it will be a step backwards. Alan Kirkland, Rebuilding after the storm, Remarks by ASIC Commissioner Alan Kirkland at the Insurance Council of Australia Annual Conference,10 October 2025

Secondly the re-drafted Code has fallen far short of addressing the recommendations of both the Code Review and the Parliamentary Flood Inquiry.[4]

Both the Code Review and Parliamentary Flood Inquiry spelled out the systemic failures of insurers in stark and explicit ways, backed by an abundance of first-hand evidence and lived experience. The recommendations delivered were not presented as a list of aspirational "nice-to-haves" but a clear roadmap for general insurers to move from – as the Parliamentary Flood Inquiry Report made explicit – "flood failures to future fairness".

Out of 127 recommended changes to the Code, general insurers partially met 40% of these (51 recommendations) and did not meet 32% (41 recommendations). With its lowest trust level in 11 years of research at 17% in 2026[5] general insurers have a lot of work to do to regain the confidence of the Australian community.

This submission identifies a large number of key recommendations from the Code Review and Parliamentary Inquiry that have been either addressed insufficiently or not at all, including:

- lifting insurers approach to vulnerability via strengthened and enforceable minimum standards
- measures to support premium hardship
- addressing core issues relating to cash settlements
- improving expert reports to support consumer outcomes
- ensuring claims decisions are in practice automatically accepted after 12 months
- improving management of claims fulfilment
- strengthening the reliability and effectiveness of sum insured calculations, and
- extending protections to small businesses.

Thirdly, while insurers have committed to contractual enforceability, there are a number of exceptions in the redraft that undermine the Code's enforceability..

Finally, the two-year transition period being proposed is unacceptable. That would mean consumers would have had to wait over 5 years since the beginning of the Code review or a full 7 years after the failed insurer response to the 2022 East Coast floods – the event that precipitated the Parliamentary Flood Inquiry – to obtain new protections. Consumers should not be subject to further delay. At maximum, insurers should be provided with a 12-month transition.

[4] House of Representatives Standing Committee on Economics, Flood failure to future fairness Report on the inquiry into insurers' responses to 2022 major floods claims, October 2024
[5] CHOICE, Consumer Pulse, March 2026

This consultation is the last chance for general insurers to shift from a conservative approach towards consumers, to engaging in good faith as genuine partners in risk mitigation. It's clear that bold actions are needed to regain the trust of Australians. Unfortunately, the current redraft can only be described as containing marginal improvements and addressing a minority of recommendations.

There is much to be done to improve upon the redraft currently being consulted on. But at a minimum the general sector needs to commit to the following in a final version of the Code:

1. Establish enforceable minimum standards to assist **consumers experiencing vulnerability**
2. Support customers experiencing insurance **premium hardship**
3. Address issues relating to **cash settlements** including the provision of actionable quotes
4. Improve the approach to **expert reports** including automatically giving them to customers in standard formats
5. Proactively communicate and manage **claim fulfilment processes**
6. Strengthen the reliability and effectiveness of **sum-insured calculations**
7. Curtail use of "circumstances beyond our control" to rein in **delays in claims handling**
8. Restore effective oversight by an **independent Code Governance Committee**
9. Apply all Code **protections to small businesses**
10. Remove exceptions to ensure a genuinely **enforceable Code**

As has long been the position of the consumer movement,[6] regulators and the Government must step in if the sector is unable to voluntarily implement a strengthened General Insurance Code. Investment by the public and Government in valuable processes such as the Code Review and Parliamentary Flood Inquiry cannot be ignored. Alternative ways to lift insurer practice remain available including the establishment of a mandatory code under section 1101A of the *Corporations Act*, or the introduction of mandatory service standards in the form currently being implemented for the superannuation sector.

If general insurers choose not to address these concerns in this consultation, then the public will put the onus on Government to step in and ensure the general insurance sector gets to where they need to be.

[6] Expressed in the Supplementary Consumer Submission to the inquiry into insurers' responses to 2022 major floods, 13 February 2024

Detailed response to the redrafted Code

1. The re-drafted code has watered down and removed commitments from the current code

There are 65 current clauses (out of the 235 clauses or 28%) that in their transfer to the new redrafted code have gone backwards in terms of consumer protections. Some of these are minor edits that prioritise the insurer's interest over the consumers. Many are significant backward steps for consumer rights that demand reconsideration. Taken holistically, the redrafting makes the code and the protections it provides to consumers weaker.

We identified the following key issues:

The independence and effectiveness of the Code Governance Committee has been undermined

ASIC RG 183 requires that code compliance be subject to independent monitoring – that is independent of the industry that subscribes to the code and provide its funding and has adequate resources to fulfil all of its functions effectively.[7]

The redrafted code has made significant changes to the commitments in the Code and the accompanying Charter that fundamentally undermine the independence of the Code Governance Committee (**CGC**) to monitor and enforce the Code.

The changes made are focussed on four aspects:

- **limiting the CGC's functions scope of their powers**

Clause 197[8] has limited the CGC's current ability in relation "to receiving, investigating and making decisions about alleged breaches of the Code"[9] to only "serious and systematic" breaches. Clause 198 similarly limits the CGC's current ability[10] to "identify … areas for improvement of insurance practices" to "serious and systemic issues" rather than all issues and practices that may arise.

The CGC needs broad power to look at all issues, including smaller issues that may turn out to be serious or systemic issues. This constraint is inappropriate.

- **reducing the CGC's ability to hold insurers accountable**

[7] See RG183.47, ASIC Regulatory Guide 183: Codes of conduct for the financial services and credit sectors, December 2025
[8] All references to Clauses refer to the draft clauses in the General Insurance Code of Practice Consultation Draft, June 2026
[9] At Current Clause 169, General Insurance Code of Practice, October 2023
[10] at Current Clause 168

The redrafted Code introduces a further constraint on the CGC to only consider complaints if they are not being considered by any other body,[11] nor impose sanction for breaches if they are being considered by another body.[12] This is patently absurd since any issue serious enough for investigation or sanction by the CGC would also be serious enough to be reported to or considered by a regulatory body in line with draft Charter Clause 5.6 which requires this to be the case. Consequently, nothing could ever be considered or sanctioned.

Furthermore, the CGC is prevented from investigating a matter reported to a regulatory body,[13] even if there are issues specific to compliance with the Code that the regulatory body cannot and/or will not consider. It even prevents the CGC from following up to ensure Code breaches are dealt with even if the matter is largely addressed by the regulator.

The redrafted Code has removed a current commitment to have "appropriate systems and processes in place to enable the CGC to monitor … compliance with the Code."[14] This is an important commitment – a best practice commitment – that ensures that subscribers meet their commitments and empowers the CGC to work more efficiently.

The redraft also limits the CGC's ability to consider complaints about insurer complaints processes.[15] While presumably insurers would justify this on the basis of duplication of regulation, being able to examine complaints processes when examining breaches of the code and insurer practices more broadly is important and the redraft is artificially constraining.

The CGC's power to require rectification has also been constrained. Where currently the CGC may require "particular rectification steps"[16] this scope has been limited to "particular rectification steps in relation to our internal processes that are reasonable in the circumstances"[17] Similarly the CGC can currently require an insurer to "compensate an individual for any direct financial loss or damage"[18] but this has now been removed.[19] Given the insurance industry's rejection of the recommendation to additionally empower the CGC to publicly name insurers as a sanction – in line with AFCA practice – to further reduce the sanctioning power of the CGC on top of this is insulting.

- **undermining the CGC's ability to independently interpret the Code**

A key element to ensure that the CGC is empowered to be genuinely independent of the industry means that the committee must have the unconstrained ability to interpret the

[11] Clause 198
[12] Clause 204
[13] Charter Clause 5.3 (a)
[14] Current Clause 180.
[15] Charter Clause 1.4 (c) and 4.1 (c)
[16] Current Clause 173 (a)
[17] Clause 206
[18] Current Clause 174
[19] See Clauses 206 and 207

Code independent of industry. The redraft has introduced impositions on the CGC that do the opposite.

New Clause 204 now requires the CGC to "consider the intent of the Insurance Council of Australia in drafting and including the Code provisions".[20] This constraint is further reinforced by additions to the Charter that require the CGC to "take into account … the intent of the Insurance Council in drafting and including the Code provision in the Code" and that it "must ensure that any interpretation adopted, and any resulting determination, is consistent with and gives effect to that intent."[21] These additions prima facie do not meet either the spirit or the letter of the principles of independent monitoring outlined in RG 183. It also means in practice that the CGC will be required to interpret the Code in ways that courts would not.

- **Abolishing the association without enshrining consumer representative involvement in budget and resourcing approval**

While it remains absent from the materials, we understand that the ICA plan to abolish the Code Governance Association but have yet to take steps to ensure that when they do the process ensures consumer representative involvement in budget and resourcing approval.[22] It is critical that this is done to ensure that the ICA do not take this backward step from the current arrangements that go directly to fulfilling the expectations and requirements of RG 183 regarding appropriate resourcing.

Current specific timeframes have gone backwards, been rendered vague and unable to be relied upon

To be enforceable (contractually or otherwise) and thus able to be relied upon, the wording needs to be robust enough to ensure that all parties – insurers, customers, regulators and ombudsmen – are able to understand what is required. In introducing the enforceable codes regime into the *Corporations Act,* the government specifically called out "direct and specific commitments[s] by [a] subscriber to take specific action within a specified timeframe"[23] as the type of commitment that can and should be enforceable. ASIC too has stated that enforceable code provisions "must be expressed in clear and specific language to ensure legal effectiveness."[24]

To this end, the introduction of less clear language is unwelcome. For example, shifting the commitment that insurers will "immediately" take action to fix a mistake to the vaguer and more subjective "promptly' needs to be rectified.[25] The redraft also no longer states that

[20] Clause 204 (a)
[21] Charter Clause 5.4 (d). See also 5.4 (f) and 1.2 (d) and 5.2 (g)
[22] As per Code Recommendation 98
[23] 1.93 Explanatory Memorandum, Financial Sector Reform (Hayne Royal Commission Response) Bill 2020 Corporations (Fees) Amendment (Hayne Royal Commission Response) Bill 2020
[24] See Table 3, RG 183.41
[25] See Clauses 37 and 54, 191

non-genuine claim indicators will be reviewed once a year.[26] It is now simply "will be reviewed".[27]

We also note backward steps in terms of some significant timeframes. Insurers, for example, will no longer keep consumers informed at least every 10 days on the progress of a complaint.[28] Insurers will now keep the complainant informed *monthly*.[29] Being kept in the dark about the progress of a complaint (or claim or rectification) is a key source of frustration for consumers, and while some may be irritated by an update that does not provide any substantive movement on a complaint, many, many more consumers will be reassured that the insurer is still considering the complaint, and will not be calling the insurer or a legal or financial counselling service to seek information about what is going on, wasting time and resources in the process. This needs to be returned to the current state.

Further, we note that insurers have awarded themselves more time to respond to a potential sanction[30] or report a significant breach[31] – whereupon further harm to consumers may be occurring or accruing. This too needs to be restored to current timeframes.

Commitments made to rein in harm to consumers arising out of historically poor investigation practices have been weakened

Poor general insurance investigation practices were exposed in a series of research reports almost a decade ago.[32] The insurance sector appropriately responded to this with a series of commitments in the Code to address the key issues that were identified, leading to significantly fewer complaints from consumers regarding investigations. It is therefore disappointing to see the insurance sector taking steps to wind some of these important protections back.

Examples of backward steps include:

- no longer providing the details of a primary contact[33]
- walking back on the commitment to only conduct an interview if the information cannot be obtained in a less intrusive manner[34]

[26] Current Clause 195
[27] Clause 129
[28] Current Clause 146
[29] Clauses 135 and 136 (b)
[30] Current clause 171 provides 10 business days to respond, while the draft new Charter Clause 6.2 (a)(ii) provides a 15 business day response time
[31] Clause 203 lengthens the amount of time to 30 days from the current 10 days at Current Code Clause 181
[32] Financial Rights, Guilty Until Proven Innocent, March 2016; ASIC, REP 621, Roadblocks and roundabouts: A review of car insurance claim investigations, 4 July 2019
[33] c.f.: Clause 96 and Current Clause 202
[34] Clause 111 changes this to "reasonably necessary"

- moving away from the commitment to use best endeavours to limit information requests to one request[35] - a common source of frustration
- no longer explicitly setting conduct standards in insurer contracts with third party service suppliers.[36]

These need to be addressed in the redraft.

The code redraft broadens the range of reasons that insurers can delay claims decisions in ways that act like a get-out-of-gaol free card

Delays in claims handling are one of the key pain points for insurance consumers.

The redrafted Code has expanded the circumstances that an insurer does not have to meet the timeframes set in the Code. This has been done without balancing these exceptions with concomitant proactivity to curtail delays.[37]

We direct the ICA to the discussion of the Independent Life Insurance Code Review Interim Report[38] which provides appropriate guidance on how the life insurance sector can similarly rein in abuse of the equivalent exceptional circumstances clause in the life insurance code. Most relevantly:

- customers would benefit from a commitment to specifically outline the reason upon which Clause 76 is being relied upon and specifically if the reason is due to an action (or lack of action) that the consumer themself is responsible for, as distinct from a third party expert
- customers should be offered assistance to gather the information required before being able to rely on Clause 76 (a)(i)
- where insurers have not been able to make contact, they should have ensured multiple attempts are made to communicate with the customer
- requiring insurers to provide specific details of the best endeavours taken to proactively pursue information from an identified third party before relying on Clause 76 (a)(iii) and explaining the steps being taken to expedite the process and an expected completion date where possible, and
- that the insurer conducts an investigation in line with Section 5 but with a specific timeframe of 2 months to undertake the investigation.

[35] Clause 108 changes this to using "best endeavours" to simply "limit the number of requests for information we make" which now assumes multiple requests: c.f.: Current Clause 200 (i)
[36] Not addressed at either Clauses 100 or 187: c.f.: Current Clause 224
[37] See Clause 76
[38] Pages 35-40 of the Independent Review of the Life Insurance Code Interim Report,

Finally, while some of the new elements expand upon circumstances that lie outside of an insurer's control, others do not represent genuinely uncontrollable delays – for example, a consumer lodging a complaint with an insurer.[39] These should be removed.

Other issues

We provide a further list of issues identified that we believe can be addressed with simple fixes at **Appendices A** and **B.**

2. The re-drafted code has fallen far short of addressing the recommendations of the Code Review and Parliamentary Flood Inquiry

Out of the 101 Code Review recommendations, the redrafted Code does not meet 30 recommendations, and only partially meets 39 recommendations, leaving only 32 recommendations fully met.

Out of the 26 Parliamentary Flood Inquiry recommendations that sought action from general insurers through the general insurance code of practice – only 3 (11.5%) have been fully adopted. 12 have been partially addressed in the Code and 11 have not been met at all.

In total, out of 127 recommended changes to the Code general insurers have only fully met 27.5% (35 recommendations), partially met 40% (51 recommendations) and have not met 32% (41 recommendations).

This is extremely disappointing following almost 3 years of work to address a series of ongoing consumer harms arising out of well-evidenced poor claims handling practices from the general insurance sector.

As a reminder, the *Flood Failure to Future Fairness* report clearly spelled out the failures of insurers in stark and explicit fashion:

> *Insurers failed too many people in the wake of the 2022 major floods, which devastated communities across Queensland, New South Wales, Victoria, Tasmania and elsewhere. Too many families and individuals were left behind. Too many people experienced unnecessary delays in getting their lives back to normal. …*
>
> *The evidence received by the Committee shows that many people experienced delays in communication, treatment that lacked empathy, inefficient document handling, poor claims management and lengthy, legalistic disputes. Cash settlements were often*

[39] Clause 76 (c)

inadequate, leaving individuals and families with the burden of project management and the risk of cost escalation during a period of intense and sustained vulnerability. Cash settlements were sometimes accepted due to exhaustion and frustration on the part of the policyholder. Some people, who turned to their insurer in their darkest hour after paying premiums for years, felt that they became engaged in an adversarial situation with a company meant to be on their side. Some said they felt that they were forced to defend themselves when submitting claims documentation.

These findings point to the need for systemic changes to the way insurers operate during natural disasters.[40]

The redrafted code provided here fails to meet the task set by Government to change the way insurers operate. The aftermath of insurers response to the 2022 floods led to a significant loss of trust and confidence in general insurance and general insurers.

According to national research conducted by CHOICE,[41] for the last five years, trust in insurance companies has remained low, between 24% and 22%. This has now hit a low in 2026 with less than one in five people trusting insurance companies (17%) – the lowest at any point in the previous 11 years.

The government and the Australian community expected more from this Code redraft. We detail the following key recommendations that have failed to be addressed by insurers in this redraft.

Supporting vulnerability is largely left to unenforceable and aspirational guidelines

At the heart of the failures of insurers evidenced in the Parliamentary Flood Inquiry was an inconsistent, unsophisticated and at times non-existent approach to support customers who are experiencing vulnerability – be it following a natural disaster or otherwise. The Parliamentary Flood Inquiry and the Code Review made it clear with their particular focus on the issue and associated range of recommendations, that uplifting general insurers' approach to supporting customers with extra needs is vital to addressing the bulk of issues customers face when engaging with their insurer.

[40] Paragraphs 1.2-1.5 of House of Representatives Standing Committee on Economics, Flood failure to future fairness Report on the inquiry into insurers' responses to 2022 major floods claims, October 2024

[41] CHOICE, Consumer Pulse, March 2026

We acknowledge that the redraft does take some steps to improve insurers approach including:

- expanding the definition of vulnerability and extra care
- incorporating key principles and minimum standards from the existing family and domestic violence guideline, and
- bolstering training for trauma-informed claims handling

However, the redraft has shifted the bulk of their approach to an Extra Care Guide[42]that is aspirational in nature, unable to be enforced or relied upon by consumers, and is largely vague about what insurers will actually do to provide 'extra care'

There are very few if any additional minimum standards introduced in the Code upon which consumers can rely on or expect from their insurer.

The aspirational nature of this guidance ultimately subjects the most vulnerable consumers in Australia to a lottery – one dependent upon whether their insurer has aspired enough to meet the guidance or not. This is deeply unfair and a burden carried by those who, by definition, are the least able to bear it.

The redrafted Code and Extra Care Guide fail to meet the expectations of government and the Australian community in multiple ways:

- it does not commit to proactively ask consumers about their circumstances and whether any assistance or extra care is required to help them engage with their insurer – the very least that insurers could do[43]
- it does not commit insurers to ensure "key information is translated and available on insurers' websites"[44]
- it does not commit to either complying with ISO 22458 or the key principles of ISO 22458[45]
- it does not address key issues facing victim survivors of family and domestic violence by committing to:
    - treating joint policies as composite policies
    - reinstating policies and providing coverage for claims resulting from deliberate actions by a perpetrator that leave victim-survivors uninsured;

[42] Extra Care for General Insurance Customers Experiencing Vulnerability (**Extra Care Guide**)
[43] Code Review Recommendation 25
[44] As per Parliamentary Flood Inquiry Recommendation 35, noting that Clause 142 merely commits to providing information on products that have been
[45] Code Review Recommendation 21 and 22, Parliamentary Flood Inquiry Recommendation 39, noting that the Guideline merely states that the guidance has drawn on the standard

    - ensuring policies cover property damage due to family violence within the standard terms, or
    - guaranteeing fair access to indemnity for all insured parties in the event of cash settlements[46]
- the redraft Code fails to address First Nations needs by:
    - ensuring for interpreting services and support services for First Nations customers
    - implementing a uniform approach to considering alternative forms of ID including specific referencing AUSTRAC guidance in the Code,[47] and
    - taking the basic step of asking customers whether they identify as First Nations people, in a respectful, sensitive and culturally appropriate manner in line with both the *Assess, Ask, Anticipate* framework to provide access to processes and support measures available, as well as the Australian Privacy Principles[48]
- the redraft has removed the list of risk factors from the Code and moved this to the Extra Care Guide, and not included reference to 'sexual orientation, gender identity and sex characteristics"[49]
- not requiring insurers to provide sufficient information to enable a person to understand a decision to provide cover on non-standard terms[50]
- require insurers, in questionnaires and application processes, to ensure sensitivity and avoid stigmatisation[51]

We note too that the way the phrase "Extra Care" is defined is limiting by constraining the concept merely to those that insurers "are able to provide" which is very much dependent on the aspirational nature of the Extra Care Guide and will lead to varying standards of care.

We also hold concerns that the commitments in the redraft[52] regarding mental health have the potential to be in breach of the *Disability Discrimination Act* by assuming that products can include blanket mental health exclusions that could unfairly discriminate against customers, where this is far from guaranteed.

[46] Code Review Recommendation 30
[47] Code Review Recommendation 31; c.f.: Clauses 13 and 14
[48] Code Review Recommendation 32.
[49] Code Review Recommendation 23
[50] As per Code Recommendation 37, noting that Clause 38 merely commits insurers to provide sufficient information to enable a person to understand a decision to decline cover,
[51] As per Code Review Recommendation 39, noting Clause 148(g) merely states that there will be policies and training for employees to treat customer with sensitivity
[52] At Clauses 153-156

Many of the principles in the unenforceable Extra Care Guide, as well as some of the recommended actions that insurers *could* take, can and should be included as minimum standards in the Code itself. These include committing to:

- proactively asking people, in a respectful manner about their customer's extra care needs or preferences at different points of the consumer journey – including at purchase, disclosure and on-boarding stages - and recording these
- providing premium financial hardship support measures (see below)
- collecting and providing (where possible) communications preferences for all customers (including digital and non-digital)
- assisting consumers to obtain documents where they may be having difficulty obtaining them and this is contributing to delays
- designing websites and online forms that meet WGAC 2.1 accessibility standards
- providing alternative claims lodgement channels for customers who are unable to use digital services, and
- providing reminders before deadlines.

Committing to measures to meet the recommendations that have yet to be addressed (or fully addressed) will provide more consistent, effective minimum standards to support those who require extra care when dealing with their insurer.

Measures to support premium hardship

The Code redraft does not include any commitment to providing **measures to support premium hardship** – a key issue facing consumers during the cost-of-living crisis and a period of sharply increasing insurance premiums.[53] We do not accept that merely providing information on a website and on payment reminder notices about support that *may (or may not) be* available gets consumers and insurers anywhere near where they need to be.

During the COVID-19 pandemic, many insurers did provide a strong response with respect to premium hardship measures and were largely transparent and proactive in doing so. This demonstrated that appropriate and flexible premium hardship responses are possible when there is genuine financial difficulty, and insurers are motivated to maintain customers.

Unfortunately, some insurers did not provide a strong enough response meaning that there was a lack of consistency. The measures ranged from the vague to piecemeal – ensuring that the support people received varied depending on which insurer they were with. Whether someone experiencing financial hardship was able to be supported in an appropriate manner was therefore wholly dependent on chance and the willingness of individual insurers to provide minimal support, best practice support or somewhere in between. Financial hardship

[53] Code Review Recommendations 1 and 4, and Parliamentary Flood Inquiry Recommendation 26. See the preamble of Section 8 and Clause 42

practices should not be an area of competitive tension, nor one based on the size of the insurer. Financial hardship should be a minimum standard in service provision.

During the COVID-19 crisis, ASIC outlined their expectations of general insurers with respect to "build[ing] a more complete and robust hardship framework into their ongoing business model."[54]

Given ASIC expectations, multiple recommendations, and sheer community need and expectations, the insurance sector must act on these recommendations.

Furthermore, the redraft has not committed insurers to engage with a consumer before the conclusion of hardship support.[55] This is a basic courtesy that is recommended in the unenforceable Extra Care Guide but not established as a minimum standard. It should.

Relatedly, the redraft does not commit to provide renewal notices at least 28 days before renewal – a measure that would assist people to research alternative arrangements or arrange to make the payment as well as addressing underinsurance issues.[56]

Addressing core issues relating to cash settlements

Problems with the way insurers implement cash settlements was at the heart of issues raised by consumers in the Code Review and the Government Inquiry.

While the Code redraft has moved somewhat on addressing issues related to cash settlements it does not get anywhere near far enough to resolve the issues faced by consumers.

While the redraft includes a commitment to "have processes in place to consider whether a Cash Settlement may be appropriate in the circumstances"[57] this is unspecific and does not commit to:

- exploring all options to arrange rebuilding or repairing themselves,[58] nor
- considering a consumer's individual circumstances to determine whether they are likely to be able to carry out the repairs.[59]

The redraft also does not commit insurers to:

- providing clarity about under what limited circumstances it will offer cash settlement when it is reasonable to do so[60]

[54] See ASIC, ASIC's expectations of general insurers: responding to consumers in financial hardship, 22 April 2021
[55] Code Review Recommendation 12
[56] Code Review Recommendation 58
[57] At Clause 87
[58] as per Code Recommendation 70
[59] as per Code Recommendation 71
[60] as per Code Recommendation 70

- demonstrating how the cash settlement offer reflects unforeseen risks and variations[61] or uplift for project management costs[62]
- providing final cash settlements in a templated form including actionable quotes[63]
- fully prohibiting the use of the terms "without prejudice" or "confidential" (or other misleading terms) on final cash settlement offers[64]

Ensuring expert reports support improved consumer outcomes

While we welcome the establishment of the ICA's Use of Expert Reports Guide and the commitment to comply with it,[65] there remain significant issues identified in the Code Review and Flood Inquiry recommendations that remain unaddressed. Both are key points of frustration to consumers.

The first is that the Code does not commit insurers to standardising expert reports that contribute to underinsurance and poor claims outcomes.[66] A standardised format with minimum standards for information in a template is required to improve consumer accessibility and understanding.

The second is proactively providing consumers with the expert reports that they obtain. The redraft retains placing the onus on the consumer to act.[67]

Ensuring claims decisions are in practice automatically accepted after 12 months

We note that the ICA is promoting the fact that the redrafted code has introduced a new automatic acceptance of home and motor claims after 12 months where no decision has been made, *subject to defined exceptions.*[68] We however hold concerns that the way the relevant clauses are drafted may mean that the automatic acceptance of a claim may in practice rarely if ever occur.

At Clause 74, insurers have a time limit of 4 months to decide a claim unless the circumstances at Clause 76 apply –including when something happens that is outside of the insurer's control or a complaint has been made etc. If Clause 76 applies, insurers have 12 months.

If then a claim reaches 12 months and a decision has not been made, Clause 75 commits insurers to automatically covering the loss or damage. However, they will not automatically

[61] as per Code Recommendation 72 and Parliamentary Flood Inquiry Recommendation 13
[62] as per Parliamentary Flood Inquiry Recommendation 10
[63] as per Parliamentary Flood Inquiry Recommendation 10
[64] as per Parliamentary Flood Inquiry Recommendation 15
[65] At Clause 71
[66] Parliamentary Flood Inquiry Recommendation 6
[67] Parliamentary Flood Inquiry Recommendation 6
[68] Clauses 74, 75 and 76

cover the loss if the circumstances set out in paragraph 76 apply to the claim. This is key since the only way a claim can reach the 12 month timeframe is if meets the circumstances in Clause 76, rendering the offer of automatic cover moot.

In other words, it is highly unlikely there will ever be a claim automatically accepted.

Whether this is poor drafting or intentional, the redraft needs to fix this, otherwise insurers will be taking credit for something that will not and as drafted, cannot ever take place.

Improving management of claims fulfilment

There remain key recommendations that sought to address very specific pain points for consumers during the claims fulfilment period that have failed to be addressed in the Code redraft. These are simple fixes that can easily be committed to by insurers. These include:

- **providing people who are in temporary accommodation at least 3 months' notice of any proposed substantive changes** to the policyholders' living situation or the insurers' payments for the accommodation[69]
- providing access to **real-time information about their claim's progress** (not simply an update every 20 days or 10 days when asked[70]) and key documentation on their claim:[71]
- providing policyholders after a natural disaster with **updated information about what policyholders can expect from making a claim** and the claims process, including realistic time estimates for each step of the claims process[72]
- **contacting customers within 5 business days of the insurer becoming aware of a material change** in the expected timing of any stage[73]
- taking a more **flexible approach in relation to rebuilds** and that a like-for-like replacement not be required and that consumers be permitted to swap out size/scope for resilience and efficiency in "sum insured" repairs and rebuilds,[74] and
- **standardising scopes of works** with a full description of work and costs.[75]

[69] Parliamentary Flood Inquiry Recommendation20
[70] Clause 59
[71] Parliamentary Flood Inquiry Recommendation 33
[72] Parliamentary Flood Inquiry Recommendation 30
[73] Parliamentary Flood Inquiry Recommendation 31 and not simply an update every 20 days or 10 days when asked as at Clause 59
[74] Parliamentary Flood Inquiry Recommendation 26
[75] Parliamentary Flood Inquiry Recommendation 18 and Code Review Recommendation 74. Clause 85 is vague and unspecific.

Strengthening the reliability and effectiveness of sum insured calculations

Underinsurance is a central and increasing problem faced by consumers in a world of rising extreme weather events. Insurers are explicitly contributing to this issue with their varied and poor approach to sum insured calculations, issues that are exacerbated following natural disasters, where rebuilding costs can escalate quickly. The Parliamentary Flood inquiry and the Code Review both made eminently reasonable and actionable recommendations regarding sum insured that have failed to be taken up by insurers in this code redraft. These should be introduced:

- providing **plain English information around the calculation of a policyholder's sum insured** and factors a policyholder may wish to consider to ensure full coverage in a total loss event[76]
- **prompting consumers to check their sum insured** and confirming this with a response[77]
- ensuring the **accuracy of the sum insured calculators** they provide[78]
- **separating out the cost of covering temporary accommodation** entitlements and not funding this out of a sum insured amount[79]
- **excluding unanticipated additional costs** (debris removal and architectural fees) in sum insureds for repair/rebuild and providing these as benefits over and above the sum insured[80]

Extending protections to small businesses

Frustratingly the redraft has maintained the complex and unfair approach to small business, carving them out of most of the Code[81] by coupling the definition to arcane retail and wholesale product distinction.[82] The product-driven approach is confusing since small businesses with "retail insurance" can rely on these sections, but not with respect to wholesale insurances. A code is meant to provide protections to consumers – actual human beings - not products. Continuing to rely on product types is inappropriate. All Code provisions should apply to retail consumers and those with small businesses. This should include lot owners in strata.

The product-driven approach to the application of the Code also continues to leave owners corporations in a grey area, uncertain of whether they are covered or not dependent on their

[76] Parliamentary Flood Inquiry Recommendation 24
[77] Parliamentary Flood Inquiry Recommendation 25
[78] Parliamentary Flood Inquiry Recommendation 25 and Code Review Recommendation 56. Clause 45 does not commit insurers to accuracy.
[79] Parliamentary Flood Inquiry Recommendation 19
[80] Code Review Recommendation 57. Clause 46 merely commits insurers to letting insureds know whether debris and professional fees are included or excluded in a sum insured
[81] Except for Sections 5, 6, 8, 9 and 10
[82] Code Review Recommendation 47

unique circumstances. This needs to be simplified and resolved in favour of covering Owners Corporations.

Other recommendations

We provide a full list of issues with the way insurers have addressed or not addressed the recommendations at **Appendices C** and **D.**

3. The redraft includes significant exceptions that undermine the enforceability of the Code

General insurers agreeing to making the code a part of the contract with consumers is an important and welcome step that will for the first time ensure the general insurance code can be truly relied upon by consumers. Enforceability of code provisions is also central to ASIC approval.[83]

However, there are a number of elements in the redraft that serve to undermine this enforceability in critical ways.

The redraft includes significant exceptions

Clause 23 states that at (a):

> *If there is a conflict or inconsistency between what is in the Code and other provisions of your policy, the term of the policy will prevail to the extent of that conflict or inconsistency*

This empowers insurers to simply contract themselves out of a Code commitment at any point by simply amending their policy provisions. It is our view that if the Code is to be genuinely effective in relation to committing the sector to minimum standards that apply to all consumers of Code subscriber products, the reverse should be the case – that is the Code clause should prevail to the extent of that conflict or inconsistency.

Clause 23 states that at (c):

> *If we fail to comply with the Code paragraph, we will not be liable to you:*
>
> *(i) for breaches of timeframes for the period that an Extraordinary Event declaration is in place;*
> *(ii) to the extent the failure was affected by some other event or circumstance that:*

[83] See RG 183.43

- *was beyond our control,*
- *was not reasonably foreseeable or preventable, or*
- *occurred without fault or negligence on our part;*

Part (i) excludes the very circumstances that require significant uplift in behaviour and timeframes. This is why the Parliamentary Flood Inquiry recommended that:

> *insurers be required to build into their staff resourcing plans, strategies to adequately increase resourcing for key services, including call centre and claims management staff, when significant or catastrophic events occur.*[84]

Part (ii) introduces significant exclusions for circumstances that have been broadened and unbalanced by commitments to proactivity under the Code (see above), as well as circumstances that are able to be relied on by insurers by subjective, self-serving assessments.

The redraft has excluded industry principles

The draft renders the principles not worth the paper they are written on by including the following note:

> *The Industry Principles are a guide only and do not form part of the Code or our policy with you.*

It is clear that with contractual enforceability the sector does not wish to be held to these principles, lest they be sued by a customer for not meeting the standard they set themselves. In doing so, the sector sends the very explicit message to customers that in actual fact they should not and cannot hold insurers to these principles. This is far from the message the industry should be sending to customers at a time of bottomed-out confidence and trust, as quantified above by CHOICE.

Currently the principles of the Code are considered and taken into account by the CGC and AFCA in considering whether insurers have acted appropriately.

If the principles are to mean anything – the note should be removed.

We would also note that there are two objectives in the current Code of Practice that are missing in the redrafted Code. These are:

- "promote, trust, integrity and respect;" and

[84] Parliamentary Flood Inquiry Recommendation 32

- "listening and seeking to resolve concerns in an objective, truthful and timely manner".

It is not clear to us why this would be the case nor is it clear what would genuinely prevent insurers from meeting these principles. They are also important concepts to instil greater confidence in the sector and their removal simply arouses suspicion and distrust.

We note too that current code commitments including the commitment to "be honest, efficient, fair, transparent and timely" in dealings with customers,[85] have been moved into unenforceable principles. Further we note that the ICA seeks to address the recommendation to "publish data ethics principles" that set out how they "address risks associated with artificial intelligence and discrimination" with an unenforceable commitment.[86] This needs to be remedied.

The redraft limits insurer responsibility for third parties

We note that some of the language in the redraft with respect to reining in the behaviour of third party service providers limits the ability for a consumer to hold insurers and their third parties to account. Clauses 69, 98, 101, 116, 117, 124, 178, 182, 184, 185, 186, and 191 merely require the insurer to variously instruct, tell or require third parties to do something rather than holding the insurer accountable. This needs to be addressed in a final redraft.

Transition Period

We note that the Consultation Paper anticipates "a 24-month transition period" to "allow insurers sufficient time to transition to contractual enforceability within their Product Disclosure Statements." This period of time is far too long.

This Code Review began in **November 2023** and ran a year until **December 2024** – delayed by the ICA to take into account the recommendations of the Parliamentary Flood Inquiry.

The ICA produced a response to the Code review (and the Parliamentary Flood Inquiry) in its Industry Action Plan in **March 2025**.

The ICA subsequently announced that they would undertake a redraft of the Code in **May 2025**.

[85] Current Clause 21 and Current Clause 4. Given the former is a reflection of Section 912B of the Corporations Act which insurers must meet, this is an odd decision.
[86] Code Recommendation 84.

That redraft was released for public consultation 13 months later, in **June 2026.**

With the ASIC approval process expected to take until the end of 2026, a two year transition would lead to a **January 2029** start time on new rights for consumers – over 5 years after the beginning of the Code review process and a full **7 years** after the failed insurer response to the 2022 East Coast floods – the event that precipitated the Parliamentary Flood Inquiry.

Consumers should not have to wait any longer for improved protections from insurer led failures. At maximum insurers should be provided with a 12 month transition given the turnover of contracts.

Appendix A: Comments on changes made to Current Code Clauses compared to the redrafted Code

Current Clause	Public Draft Notes
Principles	The commitments to “promote, trust, integrity and respect;” and act in an "objective, truthful and timely manner" are missing and should be returned. The addition of the note renders the principles unable to be relied on as they are currently (to the extent that they are currently enforceable) and not worth the paper they are written on
1	No longer there and should be returned
2	No longer there and should be returned
4	This has been moved to unenforceable principles and should be returned to the Code itself
5	No longer there and should be returned
6	This has been moved to Clause 1 but has deleted part of it so that some organisations could claim they have adopted it and it not be listed
21	Moved to principles and should be returned
23	Clause 180 no longer requires insurers to conduct sales ‘appropriately’ and to prevent ‘non-acceptable sales practices".
26	Clause 137 no longer references the 2 business day timeframe and should.
27	Clause 191 has replaced "2 days" with "promptly" but needs the specific 2 business day timeframe reinstated
28	The requirement to be trained in competency and professionalism at Clause 183 has been lost from Current Clause 28
33	Clause 130 does not incorporate Current Clause 33's commitment to tell you how to make a complaint. Nor does it incorporate Current Clause 139's clarification around "any aspect of our relationship" and it should.
36	Clause 191 has removed the 2 business days with the vague ‘promptly’ and should be returned.
37	Clause 191 has removed the 2 business days with the vague ‘promptly’ and should be returned.
38	Clause 183 has lost the phrase "qualified by education, training or experience". It should be restored.
44	The definition has inexplicably been removed and should be returned.
46	Clause 37 has changed the timeframe to the vague ‘promptly’ rather than immediately. This should be returned since correcting mistakes should be given a high priority.

Current Clause	Public Draft Notes
55	The reference to "verified your payment details" at Clause 48 could potentially be applied subjectively. If this phrase is to be used a time frame should be applied to the verification process otherwise it could go on for as long as an insurer would want.
62	Clause 54 has changed the timeframe to the vague 'promptly' rather than immediately. This should be returned since correcting mistakes should be given a high priority.
73	Clause 97 introduces new get out of gaol clause i.e.: prejudice and threat which should be removed.
80	Clause 86 has removed treating a claim "sensitively" and should be explicitly returned.
83	This has been reworded at Clause 60 to provide insurers the sole ability to propose and apply an alternative timeframe without the customer's agreement, where Current Clauses 83 and 84 refer to "agree[ing] a reasonable alternative timetable with you" which implies that the consumer can propose a timetable. While Clause 61 provides a complaints process to disagree - the process is less a discussion and more a one-way street upon which a consumer has the onus placed on them to complain to raise their preferences. This needs to be restored.
84	See above at Current Clause 84.
89	No longer in code and should return.
92	This helpful, plain English list is no longer in the Code nor the unenforceable guidance. It has been replaced by a more complex list, which while more nuanced, would be assisted with a list like this in the Code itself.
104	Clause 153 is drafted in a way that assumes that a blanket exclusion is able to be relied on and potentially in breach of the DDA. Clause 153 should be drafted in a way to not exclude all mental health claims but handling through other means as per Australian Human Rights Guideline.
113	While this clause may be implied at Clause 149 it should be made explicit.
139	Clause 130 does not incorporate current clause 33's commitment to telling consumer how to make a complaint. Nor does it incorporate Current Clause 139's clarification around "any aspect of our relationship."
142	This has been removed from the redrafted Code and should be returned
146	Clause 135 fails to commit to informing consumers "at least every 10 business days" but has gone backwards to a monthly update at Clause 136(c). This needs to be restored to 10 days. Not being kept informed is a key point of frustration for consumers.
148	While the redrafted Code has a section called "outcome of your Complaint" it only deals with the scenario where the insurer is unable to resolve the complaint - not a final decision. This needs to be restored.
149	See comment at Current 148. This clause too should be restored.

Current Clause	Public Draft Notes
150	See comment at Current 148. This clause too should be restored.
151	See comment at Current 148. This clause too should be restored.
152	See comment at Current 148. This clause too should be restored.
153	The information regarding AFCA at Clause 136 is solely related to being unable to resolve a complaint. This needs to be restored.
155	Not in redrafted Code and should be
156	Not referenced in the redrafted Code and should be
157	Not referenced in the redrafted Code and should be
160	This is not in redrafted Code except for a broad reference in the Extra Care Clause 149 – it should be returned.
163	Clause 82 has removed the "not do so unreasonably' and the commitment to provide information on the 'complaints process' and 'reasons.' This should be returned.
168	Clause 198 limits the CGC ability to recommend improvements to industry practice to matters informed by "serious and systemic breaches relevant to the Code that are not already subject to review by a regulator ...". and not other broad matters like own motion inquiry insights or anything else. All the words including and after the word "informed ..." should be deleted.
169	The commitments here have moved to Clause 194 and Charter 1.2(d), however there are 2 keys issues: 1. The reference to breaches at Current Clause 169(b) has now been limited to only "serious and systemic" breaches at Clause 197-artifically limiting the CGC's power to decide what breaches they can monitor and enforce. This needs to be removed. 2. A new clause (c) has been introduced to take away the CGC's power to independently interpret the code - this must be removed. The fact that it also does not refer to consulting with other stakeholders like consumer representatives makes clear that the industry want to control the interpretation of a clause undermining the independence of the CGC.
170	Clause 204 includes the new restriction "unless that breach is being, or has been, considered by another regulatory body or court". This is new and should be removed as it restricts the independence of the CGC to act. Furthermore – the new subsection (a) seems to be a further attempt to restrict the power of the CGC and should be removed.
171	This is now Charter 5.4(c) and 6.2(a)(ii) but has moved to 15 days response time from current 10 which is a step backwards..
172	This does is not in either the new Code nor the Charter and should be returned as it is good practice
173	Clause 206 is Current Code 173 but has been restricted in 2 ways. 1. At subclause (a) the power to require rectification has been limited to merely "internal processes that are reasonable in the circumstances." We read this as rectification more broadly including but not limited to rectifying issues for the consumers involved. This restriction needs to be removed. 2.

Current Clause	Public Draft Notes
	The requirement to audit compliance has now been restricted/limited to only the provisions the finding related to, not all code provisions. The power to require an audit of all code or any particular code provisions beyond the specific provisions at hand is important since the lack of compliance with one clause is likely to indicate a systemic issue in terms of compliance with any or all other code provisions. This needs to be removed.
174	Clause 207 is Current Clause 174 but it has removed part (a) which empowers the CGC to require an insurer to "compensate an individual for any direct financial loss or damage". This needs to be restored. Furthermore, sub clause (b) now refers to "gross revenue" and limits the number of customers to those impacted by the breach, and the extent of harm. This should be removed. We also note that the Code does not include naming as per Code Review Recommendation 96
177	It is unclear why this has been removed and should be restored for clarity's sake - be it in the Code or in the Charter
180	Clause 199 has removed the commitment to having appropriate systems in place. This should be restored.
181	Clause 203 has lengthened the amount of time to report a significant breach from 10 days to 30 days. This should be returned to 10 days to ensure that more consumers are not harmed.
184	This is not in the redrafted Code and should be returned
189	This is not in the redrafted Code and should be returned
191	Clause 33 has removed mention of binding guides. This should be returned.
195	Clause 129 has removed references to reviewing "at least once a year" and should be returned
199	Not in Clause 125-127 and should be returned.
200	Clause 108 does not limit the requests "to one" which could now be limited to multiple requests. This should be returned.
202	The commitment to telling a customer 'verbally' has been removed at Clause 96. Nor does it commit to providing the details of the primary contact. This should be restored.
212	Clause 115 doesn't include the "(or not)" and it should in order to connote the fact that consumers are able to not consent.
213	Clauses 116 (and 98) have replaced the word "objective" with open minded. This must return since this issue was at the heart of the concerns around interviews, i.e. investigators were shown to be not objective assuming that people were "guilty until proven innocent." This is unfair - hence why objective was used. Open-mindedness is a related but different concept. Open mindedness is the willingness to actively consider new ideas, information, and alternative perspectives. Objectivity is the ability to judge and make decisions based purely on factual evidence and logic, entirely free from personal bias, emotion, or opinion. The word "objective" needs to be returned.
218	Clause 118 does not include "advise the support person's role" and should.
224	Setting conduct standards in contracts is not implied at either Clause 100 or Clause 187

Current Clause	Public Draft Notes
229	The word "contemporaneous' has been removed and should be restored.
230	The explicit reference to 7 years has been removed and should be restored.
231	Clause 98 has removed Current Clause 231 (f) i.e. a commitment to comply with the standards in this document that are relevant to their activities on our behalf. This should be returned.

Appendix B: Comments on Clauses in the redrafted GI Code

Clause	Comments
Principles	"Promote, trust, integrity and respect;" and "objective, truthful and timely manner" are current concepts from the Code Objectives missing; The addition of the note is also problematic rendering the principles unable to be relied on and not worth the paper they are written on.
6	This is a plain English version of Current Code 13 and is an exception that strangely prioritises non-subscribers over subscribers to the detriment of the consumer
14	Plain Englished but this needs to reference the AUSTRAC guidance as the ABA Code Clause 49(c) does. That is: "help you meet any identification requirements if you do not have access to standard identification documents, by following AUSTRAC's guidance on identification and verification of Aboriginal and Torres Strait Islander customers"
16	The approach taken with definitions strewn throughout the document is complicated.
23	This clause undermines the enforceability and reliability of the Code by allowing insurers to simply define words in the policy differently. Also Carving out Extraordinary Weather events cannot be supported. The poor insurer response to the 2022 East Coast floods is the very reason why consumers need enforceability because insurers are not meeting their commitments. The Flood Inquiry makes this clear. Part (c)(ii) is also far too broad.
27	The information here should be provided automatically.
30	This clause has added the "commercial in nature" element which is very broad and could be subjectively applied in inappropriate ways.
32	Consumer representatives do not support this clause since it prima facie is an admission of liability.
36	This does not reflect Current Clause 45's simple "relevant to our decision" and should.
37	This clause has replaced the word "immediately" with the word "promptly" and should be restored.
38	This does not reflect CR-37 fully since it does not commit to providing consumer information on non-standard terms just where insurers can't provide insurance at all.
39	This clause has not met CR-58 to be 28 days and does nothing more than the legal requirement and status quo.
40	The definition of Pressure Selling from the Current Code is missing and should be restored.
42	This clause does not meet CR1, CR-3 and CR4 and needs to be reconsidered.
44	Does not capture "loyalty and other types of discounts and offers" as per CR-90. Nor does it require insurers to proactively determine eligibility.

45	“Periodically” needs to be defined. “Annually” is our preference.
46	Dot address either CR-92 nor any aspect of PFI-3
48	The "verified your payment details" could potentially be applied subjectively. Verification needs a time frame.
49	This contains no reference to struggling to pay. A cross reference should be included.
50	This contains no reference to struggling to pay. A cross reference should be included.
54	This clause has replaced the word “immediately” with the word “promptly” and should be restored.
55	This clause needs to apply to Small Business per CR-3. It also does not oblige insurers to identify benefits payable to the consumer. Appointing a loss adjuster in current Clause 68 has been removed and should be restored.
56	The "verified your payment details" could potentially be applied subjectively. Verification needs a time frame.
62	This clause has limited its commitment should be extended more broadly.
65	This clause would not be needed if the above recommendations were addressed.
71	The expert guide does not require that "Expert reports should be clear regarding when the cause or extent of loss is not able to be definitively determined" and does not require that Expert Reports be in a standardised format to improve consumer accessibility and understanding as per Code Review and Flood Inquiry Recommendations.
75	This clause includes reference to Clause 76's get-out-of-gaol card, which renders the clause obsolete. Any claim that reaches 12 months already has had to meet the exceptions at Clause 76 and thus will likely never be applied since if Clause 76 applies then Clause 75 does not.
76	The breadth of this clause without corresponding obligations to act, means that this clause is open to significant abuse. This should be reconsidered as delays are one of the most common problem raised by consumers when complaining about insurers claims handling.
77	Customers should be receiving a review well before 12 months.
82	There is no reference to "not do so unreasonably” and “complaints process and reasons” from Current Clause 163 which should be restored.
86	"Treating a claim sensitively" from current Clause 80 is missing and should be restored.
87	This clause references "where a scope of works is available" when scopes of work should be available in every case.
88	This clause has not addressed CR-72 and specifically the "actionable quote" required.
91	The 40 day period include may not be enough.
94	This clause should state that the plan will ensure that the "catastrophes will be handled efficiently, professionally, practically and compassionately." It should also include a reference to appropriate resourcing.

96	This clause has removed the commitment at Current Clause 202 to providing information "verbally" and providing the details of the primary contact.
98	Subsection (f) of Current Clause 231 i.e. to comply with the standards in this document that are relevant to their activities on our behalf, has been removed and should be reinstated.
99	Restores most of Current Clause 200(b) but "clearly limit the purpose of the investigation to the claim in question" is missing and should be restored
104	Combines Current Clauses 226 and 228 but does not include the word "contemporaneous," which should be restored.
105	This should include am explicit reference to 7 years for plain English reasons so consumers do not have to look it up.
107	This clause needs to be redrafted to ensure that the commitment is applied to each separate item of information. This wording allows a generic answer to cover all. Recommendation-86 was to avoid *multiple* requests.
108	This needs to be edited to use best endeavours to limit requests "to one."
112	Remove the phrase "where possible"
115	This clause doesn't include "or not" from Current Clause 212 and should, to empower consumers to understand that they can decide not to consent.
118	This clause no longer includes the commitment to "advise the support person's role" cross referenced in Current Clause 218(b)
129	The commitment to review used to apply "at least once a year" This should be restored from Current Clause 195.
135	This clause fails to commit to being "at least every 10 business days" at Current Clause 146. There is the monthly update at 136(c) but this is different. This needs to be restored to original.
136	This should include "the date by which you can reasonably expect to hear the outcomes of our investigation"
141	"We will develop our systems … in accordance with the principles from …" does not meet the enforceability of the Guideline that is required. The material in the Guideline is aspirational when it needs to be able to be relied on.
145	There needs to be a general commitment to communicate in your preferred channel not just those experiencing financial hardship (at Clause 161). Everyone should be asked to provide a preference. Without it, insurers will have to know that someone is experiencing financial hardship or needing Extra Care before they ask. This will mean that those consumers who need this may experience harms based on the lack of communication via preferred means before the insurer is aware. This is a problem.
147	"Where possible" should be removed.
148	To fully meet CR-39 "sensitivity" also needs to apply to "questionnaires and application processes." "Where possible" has been introduced here too and should be removed.

151	This largely covers the 11 sections of the current guide but misses (g) re: collection arrangements and should be explicitly included.
153	This seems to be a blanket exclusion and potentially in breach of the Disability Discrimination Act. The clause should be redrafted to commit to not excluding consumers in a blanket way but handling them through other means as per the Australian Human Rights Commission Guideline.
156	Similarly the result of disclosure should not lead to no cover. This should be handled in other ways as per the Australian Human Rights Commission.
161	There needs to be a general commitment to communicate in your preferred channel not just those experiencing financial hardship (at Clause 161). Everyone should be asked to provide a preference. Without it, insurers will have to know that someone is experiencing financial hardship or needing Extra Care before they ask. This will mean that those consumers who need this may experience harms based on the lack of communication via preferred means before the insurer is aware. This is a problem.
170	Financial hardship applications must assess whether a consumer is able to pay the amount owed at the time the hardship application is made. While the Code allows for insurers to delay the date on which the payment must be made, in our experience this has resulted in multiple delayed due dates and is used when an insurer anticipates that an individual may fall out of financial hardship after a few years. This creates significant uncertainty and distress for vulnerable consumers.
180	The preamble now includes the line "If they are a part of our preferred network we require them to meet the obligations of the Code." This should apply to all. Re: Clause 180 itself, the specificity around sales practices in Current Clause 23 and financial hardship in Current Clause 41 are no longer referenced explicitly. They should be in line with CR-13. Further, it is important that the parts of Current Clause 41 concerning how poor performance will be addressed are included in the new Code Clause 167 and 168.
181	This now has to confusingly be read with 187 which imposes further training requirements on Employees. The question is - why can't the Distributors et al also be trained in these elements. For example, why are employees receiving cultural training but others not? Specifically strange since the Extra Care element is required under Clause 187. Also why is there no reference to interpreters from Current Clause 102. Given the long history of poor sales practices in the insurance sector it is vital that this section be retained in the new Code
183	This clause has lost the phrase" qualified by education, training or experience" from Current Clause 38. It should be restored. Also the requirement to be trained in competency and professionalism has been lost from Current Clause 28 and should also be restored.
191	This clause has replaced "2 days" with "promptly". This should be restored as it needs a specific timeframe.

187	See above at Clause 181.
189	This should simply reference 7 years.
190	This is not really a commitment just a caveat. Don't oppose it but could be consolidated into another clause.
197	This is a redrafted version of current Code Clause 169 however there are 2 keys issues: 1. the reference to breaches at Current Clause 169(b) has now been limited to only "serious and systemic" breaches, artificially limiting the CGC's power to decide what breaches they can monitor and enforce. This needs to be removed. 2. A new clause (c) has been introduced to take away the CGC's power to independently interpret the code - this must be removed. The fact that it also does not refer to consulting with other stakeholders like consumer representatives makes clear that the industry wants to control the interpretation of a clause - and hence undermines independence.
198	This is current Code Clause 168(a) and (b) but now limits the CGC ability to recommend improvements to industry practice to matters informed by "serious and systemic breaches relevant to the Code that are not already subject to review by a regulator ...". and not other broad matters like own motion inquiry insights or anything else. All the words including and after the word "informed ..." should be deleted.
199	Current Clause 180's commitment to having appropriate systems in place has been removed and should be restored.
203	This is Current Code 181 but has lengthened the amount of time to report a significant breach from 10 days to 30 days. This should be returned.
Definition of Sig Breach	This definition is largely the same as the Current Code definition however new drafting has added words that restrict the CGC including "considered holistically and in combination" and the final sentence re: "considering factors in the context of overall compliance" These both must be removed.
204	This was current Code 170 but now includes the restriction "unless that breach is being, or has been, considered by another regulatory body or court. This should be removed as it restricts the independence of the CGC to act. Furthermore, subsection (a) is new and seems to be a further attempt to restrict the power of the CGC
206	This is current Code 173 but has been restricted in 2 ways. 1. At subclause (a) the power to require rectification has been limited to merely "internal processes that are reasonable in the circumstances. " We read the Current Clause as empowering the CGC to rectify more broadly including but not limited to rectifying issues for the consumers involved. This needs to be removed. 2. The requirement to audit compliance has now been restricted/limited to only the provisions the finding related to - not all code provisions. The power to require an audit of all code or any particular code provisions beyond the specific provisions at hand is important since the lack of compliance with one clause is likely to indicate a systemic issue in terms of compliance with any or all other code provisions. This needs to be removed.

207	This is Current Clause 174 but it has removed part (a) which empowers the CGC to require an insurer "compensate an individual for any direct financial loss or damage". This needs to be restored. Furthermore, sub clause (b) now refers to "gross revenue" and limits the number of customers to those impacted by the breach, and the extent of harm. This should be removed. We also note that the redrafted Code does not include naming as per CR-96

Appendix C: Comments relating to the implementation of Code Review Recommendations

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
Code - 1	Paragraph 107 should be expanded to require insurers to provide financial hardship support to all customers who require it, including people who need help maintaining premium payments.	Not met	Clause 42 does not meet the expectations of CR-1, CR-2 and CR-4 to proactively provide financial hardship support. Clause 42 essentially commits to merely letting customers know *if* they have premium support.
Code - 2	The Code should define financial hardship broadly to include where someone is unable to pay what they owe, where they expect to be unable to pay upcoming obligations or they are experiencing difficulties meeting obligations.	Not met	The definition of financial hardship does not extend to financial hardship support for premium payments
Code - 4	The Code should provide a comprehensive list of potential support options that insurers may consider offering (expanded as outlined above).	Not met	Clause 42 does not meet the expectations of CR-1, CR-2 and CR-4 to proactively provide financial hardship support. Clause 42 essentially commits to merely letting customers know if they have premium support.
Code - 10	The Code should allow for requests for hardship support to be made flexibly, including online, via phone and other customer service channels.	Partially met	Clause 160 limits the commitment allow requests for hardship to "the channels we have available" and doesn't

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
			necessarily provide the flexibility expected.
Code - 11	Paragraph 115 should be amended to require insurers to not request unnecessary documentation or information as part of providing hardship support.	Partially met	Clause 165 states that insurers will "only request information that is necessary to assess your application for Financial Hardship" as opposed to 'not requesting unnecessary documentation'. This *could* amount to the same thing. If it does, then it should simply be stated that way.
Code - 12	The Code should commit insurers to engage with a consumer before the conclusion of hardship support to consider whether assistance has been effective or whether further assistance is required.	Not met	This is not reflected in the Code. This is a specific touchpoint (just before the conclusion of the hardship) where insurers should proactively contact and engage with the consumers, who behaviourally defer to avoidance and would benefit from the contact.
Code - 13	The Code should require insurers to have in place effective systems that monitor and ensure compliance of third-party agents and collectors with insurers' financial hardship commitments.	Meets commitment	This may be implied at Clause 180 but should be made explicit to clarify for all stakeholders
Code - 16	The Code should require insurers to seek recovery from employers where an employee causes loss in the course of employment. The ICA, through the Code or an industry guideline, should articulate standards of proof should there be disputes about	Not met	This is not reflected in Code. This issue will continue to cause harm otherwise, without action. Adopting this recommendation would alleviate severe

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	the standard of employment and/or link to an event in the course of employment.		stress of a vulnerable group in our society i.e. renters.
Code - 17	The Code should require insurers to have quality assurance systems in place regarding the effectiveness of their hardship support. Such systems should be overseen by senior management.	Partially met	Again, this may be implied at Clause 180 but should be made explicit
Customer vulnerability			
Code -20	The Code should adopt a broad definition of vulnerability: where someone who, due to their personal circumstances and market practices, is especially susceptible to harm.	Partially met	While the definition is broad it does not acknowledge the role of the insurer or "market practices" in the creation or exacerbation of vulnerability – an all-too-common occurrence. This should be a simple addition to make
Code -21	Paragraph 91 should be amended to require insurers to comply with ISO 22458.	Not met	"Drawing on" ISO22458 – as referenced in the draft Guideline - is not the same as being "required to comply" – this should either be amended or insurers meet CR-22.
Code -22	Alternatively, the Code should require insurers to demonstrate organisational commitment to improving outcomes for consumers in vulnerable circumstances by following the key principles in ISO 22458, including: a. Requiring insurers to	Partially met	Apart from the inclusion of Clause 145, the bulk of principles are either not reflected in the guideline or if they are the guideline is unenforceable.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	design customer service and claims processes to be inclusive; and b. Requiring insurers to have a range of free, easy-to-access contact channels so that consumers can choose their preferred method of communication for enquiries and complaints.		
Code -23	The risk factors 'sexual orientation, gender identity and sex characteristics', 'trauma', 'cognitive impairment', 'bereavement' and 'elder abuse' should be added to paragraph 93.	Not met	The list of factors has been removed from the Code. While some of the characteristics listed here are included in the unenforceable guidance - 'sexual orientation, gender identity and sex characteristics" is not. They should be, and the list should be returned to the Code itself.
Code -25	Where risk factors are present, insurers should specifically ask consumers about their circumstances and whether any assistance or extra care is required to help them engage with their insurer.	Partially met	Proactively asking consumer about their circumstances – with respect and sensitivity - should be included in the Code at Clause 140. This is a simple and effective commitment to make and will greatly assist insurers in acting to support the extra needs of their customers.
Code -29	The Code should require insurers to comply with key requirements of the ICA guide to helping customers affected by family violence.	Partially met	This is addressed at Clause 151 but misses (g) handling collection arrangements sensitively. This should be included.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
Code -30	The Code should require insurers to: a. Ensure continuous protection of all insured parties in situations of relationship breakdown, for example by treating joint policies as composite; b. Reinstate policies and provide coverage for claims resulting from deliberate actions by a perpetrator that leave victim-survivors uninsured; c. Ensure policies cover property damage due to family violence within the standard terms; and d. Guarantee fair access to indemnity for all insured parties in the event of cash settlements.	Not met	None of CR-30 is reflected in the Code. These are simple fixes that many insurers have already taken and not making these minimum standards ensures that some of the most at risk people in Australia will be subject to the lottery of whether their insurer has aspired enough to provide these protections.
Code -31	Paragraph 100 of the Code should be updated to reference AUSTRAC guidance regarding customer identification.	Not met	We do not understand the reluctance to refer to the AUSTRAC Guidelines on customer identification. Other Codes do so and it should be the case here.
Code -32	Insurers should ask customers whether they identify as Aboriginal and/or Torres Strait Islander, and seek consent to retain this information, to enable flexible and tailored services.	Not met	If done respectively and with sensitivity – and is backed by culturally safe training, asking consumers of their First Nations status - as occurs in other sectors would be of real benefit to First Nations consumers.
Code -36	The Code should require insurers to comply with the ICA Guide on Mental Health.	Partially met	While the Code includes commitments at Clause 153-156 re: mental health, we hold concerns that the commitments may breach the DDA.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
Code -37	Paragraph 104 (d) of the Code should be updated to require insurers to provide sufficient information to enable a person to understand whether a decision to decline cover or provide cover on non-standard terms is reasonable, such as directly providing the relevant actuarial or statistical data (or a summary thereof) on which the decision was based.	Partially met	Clause 38 does not fully reflect CR-37 since it does not provide "sufficient information' to those provided with non-standard terms. Clause 38 commits insurers to providing 'sufficient information' to where insurers can't provide insurance *at all*.
Code -38	Paragraph 45 of the Code should be updated to require insurers, in questionnaires and application processes, to only collect information that is necessary to assess and insure the risk presented by the customer.	Not met	The intent of this recommendation has not been met at Clause 36, since it does not commit to amending questionnaires and application processes.
Code -39	The Code should require insurers, in questionnaires and application processes, to ensure sensitivity and avoid stigmatisation.	Partially met	While Clause 148(g) states that there will be policies and training for employees to treat you with sensitivity - the specific recommendation here relates specifically to "questionnaires and application process." Written material and scripts are not included in the commitment at Clause 148.
The Code and the law			

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
Code - 40	Paragraph 21 should be retained and amended to clarify that it operates alongside other Code paragraphs.	Partially met	This fundamental commitment has been moved to the unenforceable principles section. It should be returned to the Code itself, since insurers are required to meet it anyway – and had expanded it to include the concept of timeliness, which should be restored.
Code -42	The Code should include an overarching obligation for education and training requirements for all Code Subscriber Employees, Distributors and Service Suppliers.	Partially met	The redraft code deals with this in confusing manner. Clauses 181 and 187 need to be read together, the latter imposes further training requirements on Employees. The question is - why can't the Distributors et al also be trained in these elements - for example why are employees receiving cultural training but others not. Specifically strange since the Extra Care element is required under 187. Also why is there no reference to interpreters from Current Clause 102.
Code -43	The requirements should stipulate that education and training must include: • the Code; • the products and services provided by the Code Subscriber; • dealing with customers experiencing vulnerability, including trauma-based training (also	Partially met	The issue here is the bifurcation. Clause 148 only applies to Employees not Distributors and other service suppliers who definitely need this training given they are the front line.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	see recommendation 26); and • complaint management, including more advanced training for Employees in specialised internal dispute resolution or external dispute resolution roles.		
Code -44	In addition, the Code should require that Distributors and Service Suppliers receive education and training to a standard that is considered relevant to the trade or profession that they operate within and in accordance with the requirements of any relevant industry body.	Partially met	While the redrafted Code commits insurers to ensure trades have an appropriate licence, ongoing education and training is required and insurers should commit to ensuring that that they remain up to standard
Code -45	Paragraph 43 should be adapted to help insurers meet Design and Distribution Obligations, including for example through: • incorporating inclusive service standards into product design requirements; • requiring insurers to regularly obtain customer feedback as part of product reviews; and • setting a benchmark for average claims durations which would trigger target market reviews should the benchmark be exceeded.	Not met	While current Clause 43 has been carried over to Clause 35 - it does not include the specific commitments to help insurers meet the Design and Distribution Obligations, outlined in CR-45
Code -47	All parts of the Code should apply to small business.	Partially met	This has not met the recommendation. Small businesses with Wholesale Insurance cannot rely on sections 1, 2, 3, 4, and 7. There is no discernible reason to carve these out. They should all apply. The approach is also confusing.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
			Small business with "retail insurance" can rely on these sections, but not with respect to wholesale insurances.
Code -48	The definition of small business should be aligned to the definition in the AFCA Rules.	Not met	The Small Business Definition has not been updated to reflect the AFCA definition and should be to ensure that they can rely on the protections
Code -49	The Code should be: • decoupled from the legislated definitions of retail client, wholesale client and general insurance products; and • apply to individuals and small business and not be limited to the nature of general insurance products other than statutory insurances (Code paragraph 10)	Not met	The Code does not decouple the definition from the legislation and should be in line with the CR-47 and 48.
Other parts of the Code			
Code - 52	A single Code definition be adopted for all claim services provided by a third-party supplier acting on behalf of, or appointed by, an insurer.	Not met	This maintains multiple definitions with the complexity complained of previously remaining
Code - 54	Paragraph 44 of the Code should be strengthened to require insurers to prevent pressure-selling through robust frameworks, systems, processes, training, and monitoring.	Partially met	At best it could be implied that insurers will prevent pressure-selling through robust frameworks, systems, processes, training, and monitoring at Clauses 180, 186, and 187 but it is far from explicit and clear. Also the definition of Pressure

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
			Selling has been removed and should be returned.
Code - 55	Insurers should be required to respect consumer communication preferences, so that for example where a consumer makes an application online, then communication should be online unless the customer provides a specific request to be contacted via another method.	Partially met	The issue with Clause 161 is the get-out-of-gaol last sentence that expands the exceptions: "There may be circumstances where an alternative channel of communication is more appropriate, and where there is, we may communicate with you using that alternative channel". This needs to be deleted unless insurers spell out the specific circumstances to be considered. On our reading Youi may still usurp the customers intention to consider a purchase online by calling them the second they press the quote button on a website as they currently do.
Code - 56	Paragraph 48 should be strengthened to require insurers to ensure that sum insured calculators are accurate and up to date.	Not met	The key new element being recommended here is accuracy - which is not present at Clause 45, and should be included
Code - 57	Unanticipated additional costs (debris removal and architectural fees) should not be included in the sum insured for repair/rebuild but provided as benefits over and above the sum insured. Further,	Partially met	Regarding Clause 46: Insurers will only let insureds know whether debris and professional fees are included or excluded in a sum insured. This does not

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	insurers should be required to clearly communicate to consumers what is included as part of the sum insured and what may be paid by the insurer in addition to that amount.		meet the recommendation to exclude them, full stop. There is also nothing relating to what will be paid by the insurer over and above that amount
Code - 58	Renewal notices should be provided at least 28 days before renewal, and a further reminder notice provided at least 7 days before renewal.	Partially met	While there is a 7-day further reminder at Clause 39, it does not extend the notice from 14 to 28 days - doing nothing more than the legal requirement and status quo. We note that the National Insurance Brokers Code has itself committed to extending this to 28 days – placing general insurers out of step with the sector.
Code - 60	Paragraph 55 of the Code should be amended so that insurers commit to either returning any refund using the payment mechanism used by the customer when they initially paid for the policy from or asking customers who cancel their policy about their preferred payment mechanism for the policy refund.	Not met	Clause 48 has not been amended commit insurers to either returning any refund using the payment mechanism used by the customer when they initially paid for the policy from or asking customers who cancel their policy about their preferred payment mechanism for the policy refund.
Code - 61	Insurers should be required to inform consumers about claimable items and the consumer's right to make a complaint at the point of claim.	Partially met	Clause 51 places the onus on the consumer to ask if a policy covers a loss. This is not the same as informing

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
			consumers about claimable items. Clause 51 should be amended to do so.
Code - 62	Insurers should commit to providing a single contact point, including contact details, so claimants have a primary contact point through the claims process.	Partially met	This has been expanded but only to home building policies, and for extra case claimants: See Clauses 62 and 63. This should apply to all customers regardless.
Code – 63	Where the insurer has not made a decision on the claim within 12 months, and the delay is not due to the consumer or other reasons beyond the control of the insurer (such as a complaint having been lodged with AFCA), the Code should require the claim to be accepted.	Partially met	The way this has been drafted means it is highly unlikely that it will ever be enacted. See Clause 75. Anything getting to 12 months has already met the exceptions at Clause 76 and thus will likely never be applied since if Clause 76 applies then Clause 75 does not.
Code - 64	Insurers should report to the CGC the number of claims that take longer than 12 months to resolve, and the CGC should report on these numbers transparently by individual insurer.	Not met	This recommendation has not addressed in Charter or Code
Code - 65	The exceptions in paragraph 78(a) relating to Extraordinary Catastrophes and 78(d) relating to delays in customer communication should be removed.	Not met	Clause 23(c)(i) maintains the current Clause 78(a) exception and Clause 76 maintains Current Clause 78(d).
Code - 66	Paragraph 70 should be updated to require insurers to provide meaningful progress updates every 20 business days. This paragraph should also	Partially met	Clause 59 does not refer to 'meaningful progress'. Preferred communication channels are provided only to those

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	be clarified to enable insurers to provide updates via SMS or in-app alerts, where this is the customer's communication preference.		needing Extra Care (Clause 145) and Financial Hardship (Clause 161)
Code - 67	Paragraph 71 should be updated to require insurers to respond to routine inquiries within 3 business days.	Not met	The Code does not commit insurers to responding to routine claim enquiries within 3 business days. When consumers make an inquiry, they want that information in a timely way. 10 Business days at 59 is way too long when they are under stress and exacerbates stress because people worry why the response is taking so long
Code - 68	The exceptions in paragraphs 84 should be removed.	Partially met	This is not fully met since new Clause 59 maintains the Current Clause 84(a) exception and the way alternative timelines are drafted at Clause 74 consumers have less power to propose and agree to a different timetable
Code - 69	The Code should require temporary accommodation benefits to extend until the property is fully repaired or rebuilt, up to a cap of 12 months. Insurers should also be required to contact customers at least three months before the benefits are set to conclude and advise whether	Not met	Neither element of this recommendation has been addressed

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	any extension of the benefits is available if the repair or rebuild is not completed.		
Code - 70	The Code should require the insurer to explore all options to arrange rebuild or repair themselves and provide clarity about under what limited circumstances it will offer cash settlement when it is reasonable to do so.	Partially met	While Clause 87 is an improvement it does not commit to specifically exploring all options. Clause 88 does not commit insurers to providing information re: what limited circumstances it will offer cash settlement when it is reasonable to do so. It should.
Code - 71	Before offering a cash settlement, the Code should require insurers to consider a consumer's individual circumstances to determine whether they are likely to be able to carry out the repairs.	Partially met	There is no explicit commitment to consider the individual's circumstances Clause 87 - this needs to be included to be able to genuinely engage with the extra needs of the consumer.
Code - 72	Cash settlement offers should: • provide for actionable quotes, and be based on the cost to the consumer to undertake the rebuild or repair; • demonstrate how the cash settlement offer reflects unforeseen risks and variations and compensate for the transfer of risk to the consumer; and • include all policy benefits that are otherwise applicable.	Not met	Clause 88 has not addressed CR-72 by not committing to demonstrating how the cash settlement offer reflects unforeseen risks and variations, nor does it commit insurers to providing "actionable quotes."
Code - 73	If a consumer opts for a cash settlement for a property claim, they should have a 12-month period to request a review if the settlement	Partially met	The outstanding concern here is the lack of clarity regarding the ability to request a review "if the settlement amount turns

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	amount turns out to be insufficient due to unforeseen circumstances at the time of settlement.		out to be insufficient due to *unforeseen circumstances* at the time of settlement". If it is implied at Clause 92 then it needs to be made explicit.
Code - 74	The Code should require Scopes of Work to be clear, standardised, and provide a full description of work and costs.	Not met	Clause 85 does not commit insurers to making scopes of work clear and standardised, nor does it commit insurers to providing a full description of work and cost. These are very specific recommendations to address specific problems all of which is left unaddressed by a somewhat vague commitment to help consumer 'understand'.
Code - 77	The Code should set out minimum standards for experts: • Expert reports should include clear facts and evidence in plain English to support expert opinions; • Expert reports should be clear regarding when the cause or extent of loss is not able to be definitively determined; • When expert opinions address 'wear and tear' exemptions and 'reasonable maintenance' requirements, they should clearly explain how the consumer's failure to maintain the property significantly contributed to the resulting loss or damage; • Expert reports	Partially met	This is not met since: (a) the expert guide does not require that "Expert reports should be clear regarding when the cause or extent of loss is not able to be definitively determined" and (b) the Coe does not require that Expert reports be in a standardised format to improve consumer accessibility and understanding.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	should be in a standardised format to improve consumer accessibility and understanding; and • Insurers should ensure experts respectfully and constructively engage with consumers when collecting information for their assessments.		
Code - 80	Paragraph 81 should be updated to require insurers to communicate in plain English and to: • State clearly aspects of the claim which are accepted, and which are denied; • Provide reasons that enable consumers to understand the outcome of the claim; and • Appropriately reference policy terms and attach any expert reports relied upon	Partially met	Clause 80 maintains the onus on the consumer to ask for the information relied on where the recommendation was to attach the reports.
Code - 81	Paragraph 147 should be amended to align with the ASIC internal dispute resolution requirements.	Partially met	There are a number of problems with the redrafted code's approach to complaints since a number of the complaints clauses have either been removed or gone backwards in ways that reduce the protections current available to consumers: Current Clauses 139, 142, 146, 148-153, 156, 157, 160 and 160
Code - 82	Part 11 should include commitments for insurers to adequately resource and train complaint resolution teams, including considering surge capacity that may be needed following an event.	Partially met	While training is covered in the redraft, the 'commitment' to have resources to respond to natural disasters is only an

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
			unenforceable principle that cannot be relied on.
Code - 83	The Code should require that insurers provide to consumers personal information that is used by the insurer in assessing applications, including where information is not provided by the consumer.	Partially met	While this may meet the wording of the recommendation - the body of the text upon which the recommendation is based states: "However, the Review Panel agrees that Part 12 should enable consumers to access personal information that is used by the insurer in assessing applications, including pricing decisions." Pricing decisions are not included in the scope of the new Clause 27 and should be. Pricing transparency remains one of the key concerns of consumers that need addressing.
Code - 84	Insurers should be required to publish data ethics principles that set out how they address risks associated with artificial intelligence and discrimination.	Not met	The draft Code merely includes an unenforceable code principle ("We will use technology responsibly.") rather than any commitment to publish data ethics principles that set out how they address risks associated with artificial intelligence and discrimination
Code - 86	Insurers should request information only if it is strictly relevant to the claim, avoid multiple	Partially met	Clause 108 merely commits to "use best endeavours to limit the number of

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	requests, and clearly communicate why each item of information is necessary and relevant.		requests for information we make" but does not seek to limit it to *one* request which is the key. This can be easily amended.
Code - 87	Face-to-face interviews should only occur if the information cannot be obtained in a less intrusive way.	Partially met	Clause 111 states that "We will only conduct an interview in person if it is reasonably necessary for the purpose of the Investigation" not that "Face-to-face interviews [will] only occur if the information cannot be obtained in a less intrusive way." It should be the latter.
Emerging issues			
Code - 88	The Code should require renewal quotes for home and motor insurance consumers to be not more expensive than those for new customers.	Not met	Not in Code
Code - 89	The Code should ensure that home and motor insurance policies do not charge more for instalment payments.	Not met	Not in Code
Code - 90	Paragraph 51 should be expanded to apply to multi-policy, loyalty and other types of discounts and offers, and require insurers to proactively determine consumer eligibility for discounts and pricing offers.	Partially met	Clause 44 does now apply to multi-policy discounts but does not meet CR-90 since it doesn't include loyalty and other discounts. It should be.

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
Code - 92	Subject to financial advice law, the Code should require insurers to provide transparency about the types of consumer risk-mitigation activities that result in a pricing benefit.	Not met	The Code does not require insurers to provide transparency about the types of consumer risk-mitigation activities that result in a pricing benefit
Code structure, enforceability and governance			
Code - 93	The drafting of the Code should ensure code commitments are clear, so as to promote effective compliance.	Partially met	While there has been a plain English review – a number of vagaries and weasel words continue to be in the document including "promptly"
Code - 95	The maximum Community Benefit Payment in paragraph 174(c) should be doubled to $200,000 and indexed annually.	Partially met	While this has been met - it should be noted that 207 has removed Clause 174(a) which empowers the CGC to require an insurer "compensate an individual for any direct financial loss or damage". This should be returned.
Code - 96	The CGC should publish insurer names in regular compliance and data reports.	Not met	Not in Code
Code - 97	The CGC should produce leader board information at an individual insurer level when undertaking thematic reviews, to provide additional transparency on both better compliance practices and where improvement is needed.	Not met	Not in Code
Code - 98	The Code Governance Association should be abolished and arrangements for Code	Partially met	As we understand, the ICA plan to abolish the association but have made

Code Rec #s	Code Review - List of recommendations	Met or Not Met	Pub Consumer position
	management aligned with that of other financial services codes managed by AFCA. Consumer representative involvement in the annual budget approval process should be maintained.		no steps to ensuring that when they do, the second part of this recommendation that consumer representatives are involved in the annual budget approval is enacted. It is critical that this be done to ensure that the intent of the recommendation is met.
Code - 99	The addition of a small business representative to the CGC should be considered, or an alternative mechanism for ensuring advice on small business matters is available to the CGC.	Not met	Not met
Code - 101	The Code should be incorporated into customer contracts so that commitments are contractually enforceable.	Partially met	While we support the Code, there has yet to be final confirmation from the ICA board that they will accept this, in the approval process.

Appendix D: Comments relating to the implementation of Flood Inquiry Recommendations

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
PFI - 3	**Recommendation 3** The Committee recommends that a distinction be made in the General Insurance Code of Practice (the Code) between aspects of properties where maintenance is: Observable (for example, roofs and gutters) versus where it is not observable (for example, typically, stumps). Where regular upkeep is reasonably within the remit of the householder or business versus where maintenance is infrequent, costly and highly irregular (for example, stumps). Where maintenance is not observable and infrequent maintenance is required, there should be a presumption of coverage by insurers unless exceptional circumstances can be established. It should be noted that this may have an impact on premiums for some policies (for example, for older houses) but that the trade-off is that it will reduce the likelihood of dramatically different outcomes for households with the same experience from the natural disaster while making no difference to the observed risk or behaviour of policyholders. This presumption should be reflected in the industry-wide guidance issued under Recommendation 2.	Not met	Clause 46 does not address any aspect of PFI-03

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
PFI - 6	**Recommendation 6** The Committee recommends that the Australian Securities and Investments Commission produce regulatory guidance clarifying that insurers cannot rely solely on hydrology and expert reports to deny a claim where the report has not properly linked the damage observed with the cause of the damage, consistent with Recommendations 75 - 78 of the Independent Review of the General Insurance Code of Practice. That the Code provisions in relation to the appointment of experts be strengthened to ensure that: the purpose of the Code include the intent that experts are to provide independent, detailed, clear, comprehensible and professional assessments of the cause and extent of loss. insurers be required to ensure the expertise, professionalism and independence of experts appointed by them. expert reports are in a standardised format to improve consumer accessibility and understanding. clauses 161 and 162 of the Code require the insurer to provide policyholders with any expert reports including, but not limited to, any reports that insurers have relied upon to deny a claim in whole or in part.	Not fully met	The redrafted Code does not require standardised formats nor does it proactively require insurers provide expert reports that they relied on, only if consumers ask.
PFI - 8	**Recommendation 8** The Committee recommends that the General Insurance Code of Practice be amended to require that insurers implement mechanisms to: periodically review the evidence	Not fully met	The redrafted Code does not commit insurers to periodically review the evidence relied upon to deny a claim based on lack of coverage under the policy or the application of an exclusion.

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	relied upon to deny a claim based on lack of coverage under the policy or the application of an exclusion, where a hydrology and other expert report is one component of the evidence, to determine whether reports with insufficient evidence are being given too much weight in the decision to deny the claim communicate the level of quality expected by insurers to third parties providing expert reports, and more effectively identify concerns with, and provide feedback to, external experts.		
PFI - 9	**Recommendation 9** The Committee recommends the ICA in consultation with the Australian Securities and Investments Commission provide guidance to insurers about providing greater detail and clarity to policyholders on their rights and risks when an offer is made for a final cash settlement, including the risks policyholders should be aware of for the project management of repairs. This would align with elements of recommendation 71 of the Independent Review of the General Insurance Code of Practice's Initial Report, and the Committee recommends that this recommendation be implemented in full.	Not fully met	There is no commitment in the redrafted Code to consider the individual's circumstances in a cash settlement: c.f. Clause 87.
PFI - 10	**Recommendation 10** The Committee recommends that the General Insurance Code of Practice provide that final cash settlements: Be provided in a template form that is standardised across all insurers. The template should include a clear	Not met	This recommendation has not been met since (a) there is no commitment to a standardised cash settlement template (b) no actionable quotes (c) no compensation for project management

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	itemisation of all key elements of the total sum. The template be designed with input from peak consumer organisations and the Australian Securities and Investments Commission. Should include actionable, comprehensive, and transparent quotes. Should clearly identify compensation for unforeseen risks and project management risk (as identified in Recommendation 9).		
PFI - 12	**Recommendation 12** The Committee recommends that the General Insurance Code of Practice be amended to require insurers, when offering a final cash settlement, to: Advise the consumer to obtain legal advice in relation to a final cash settlement; Advise the consumer of their rights to reopen a final cash settlement under the General Insurance Code of Practice and any rights they may have in respect of common law; Refer the consumer to community legal advisers and financial counsellors in the local area.	Not fully met	The only minor outstanding issue here is that the recommendation is to advise the consumer to obtain legal advice - and the code commits insurers to telling them they "should consider" obtaining legal advice. This would be a simple change to make at Clause 89
PFI - 13	**Recommendation 13** The Committee recommends that the General Insurance Code of Practice be amended to require insurers when offering final cash settlements to include a reasonable uplift/contingency sum to reasonably compensate policyholders for the risks they take on in project managing the repairs to their property.	Not met	The reason this recommendation is not met is that there is no commitment in the redrafted Code to uplift the sum nor contingency on the basis of project management.
PFI - 14	**Recommendation 14** The Committee recommends the General Insurance Code of Practice be amended	Not fully met	Clause 92 does not fully address PFI-14 and CR-73. The words "complete the repairs" implies "the

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	to allow policyholders to have a 12-month period to seek a review of a final cash settlement where there is a change in the facts upon which the original determination was made.		repairs it was provided for, not additional material = and may prevent somebody from seeking a review if the funds were insufficient to cover subsequently discovered issues.
PFI - 15	**Recommendation 15** The Committee recommends that the General Insurance Code of Practice prohibit the use of the terms "without prejudice" or "confidential" (or other misleading terms) on final cash settlement offers. This could be supplemented by regulatory guidance by the Australian Securities and Investments Commission.	Not met	The recommendation was to prohibit the use of the term "without prejudice" altogether. It's still there for those payments made outside of coverage in a policy (at Clause 89). Nor does it remove the use of "confidential".
PFI - 18	**Recommendation 18** The Committee recommends that there should be insurer and regulator oversight of Scopes of Work through the following mechanisms: Stronger Code provisions in relation to quality of Scopes of Work (as per Recommendation 74 of the Independent Review of the General Insurance Code of Practice). Random vetting of Scopes of Work quality by the Australian Securities and Investments Commission.	Not fully met	The code fails to meet CR-74. Clause 85 does not commit insurers to making scopes of work clear and standardised, nor provide a full description of work and cost. These are very specific recommendations to address specific problems - that is left unaddressed by a somewhat vague commitment to help consumers 'understand'.
PFI - 20	**Recommendation 20** The Committee recommends the ICA amend the General Insurance Code of Practice to include an appropriate mechanism for ensuring policyholders that are being provided with temporary accommodation as part of their claim have at least 3 months' notice of any proposed substantive changes to the policyholders' living	Not met	A 3 month notice period is not in the redrafted Code and easily can.

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	situation or the insurers' payments for the accommodation.		
PFI - 24	**Recommendation 24** The Committee recommends that the General Insurance Code of Practice be amended to require that insurers, at policy commencement and renewal, communicate key information on the consumer's policy, including: A clearly highlighted plain English explanation of common obligations policyholders have under their policies and the application of certain exclusions if they are not undertaken, and general advice in relation to property maintenance and the expectations of the insurer regarding key aspects of the property such as roofs, gutters and fences, and general information around the calculation of a policyholder's sum insured and factors a policyholder may wish to consider to ensure full coverage in a total loss event.	Not fully met	This is not met because (a) the redrafted Code does not commit to plain English explanations of obligations (b) the redrafted code does not commit to providing general information on the calculation of a sum insured and factors to consider.
PFI - 25	**Recommendation 25** The Committee recommends that the General Insurance Code of Practice be amended to require that insurers inform policyholders when they suspect the policyholder's sum insured does not cover the full rebuild costs according to their calculations, both at sign-on and renewal. The insurer should encourage the consumer to review their sum insured amount and ask them to confirm with a response. The Committee further recommends that the General Insurance Code of	Not fully met	The redrafted Code does not commit to prompting consumers to check their sum insured and confirm with a response; does not require accuracy, and does not include the other material.

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	Practice be strengthened to require insurers to ensure that sum insured calculators are accurate and up to date, consistent with Recommendation 56 of the Independent Review of the General Insurance Code of Practice. The calculators should include updated information on rebuild costs, including cost increases relating to rebuilding to current building standards, and increases in labour and materials costs.		
PFI - 26	**Recommendation 26** The Committee recommends that the General Insurance Code of Practice be amended to require that insurers adopt a more flexible approach in relation to rebuilds and that, in particular, a like-for-like replacement not be required and that consumers be permitted to swap out size/scope for resilience and efficiency in "sum insured" repairs and rebuilds.	Not met	Not addressed in the redrafted Code and should be.
PFI - 30	**Recommendation 30** The Committee recommends that the General Insurance Code of Practice be amended to require that insurers, in the immediate aftermath of a natural disaster, provide policyholders with updated information about: what policyholders can expect from making a claim and the claims process, realistic time estimates for each step of the claims process, and customers' rights to challenge decisions or raise concerns about the insurers' conduct. This guidance should take the form of a comprehensible and standardised diagram or	Not met	No part of this has been met in the redrafted Code and should be.

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	flowchart. Following major flood events, insurers should also build into their systems pathways for policyholders to receive quick responses to commonly asked questions.		
PFI - 31	**Recommendation 31** The Committee recommends the General Insurance Code of Practice be amended to require insurers to contact customers within 5 business days of the insurer becoming aware of a material change in the expected timing of any stage outlined in the guidance provided under Recommendation 30.	Not met	There remains no commitment to contact customers within 5 business days of a material change.
PFI - 32	**Recommendation 32** The Committee recommends, in alignment with recommendation 3 of the 2023 Deloitte report, that insurers be required to build into their staff resourcing plans, strategies to adequately increase resourcing for key services, including call centre and claims management staff, when significant or catastrophic events occur.	Not met	This has been included as an unenforceable principle not a commitment.
PFI - 33	**Recommendation 33** The Committee recommends that the General Insurance Code of Practice be amended to require insurers to provide all policyholders with access to real-time information about their claim's progress and key documentation on their claim. This could be through a mobile application or other platform.	Not met	The reason this is not met is that the recommendation was for *real time* information - not an update every 20 days. Where possible real time information is important to alleviating the stress of customers as they are going through an insurance claims process.
PFI - 35	**Recommendation 35** The Committee recommends that clauses 103c and 103d of the General Insurance Code of Practice be strengthened to ensure that key	Not fully met	The redraft does not commit insurers to ensure "key information is translated and available on insurers' websites"

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	information is translated and available on insurers' websites and that clause 103a should specify that this includes translating and interpreting services for Indigenous Australians.		
PFI - 39	**Recommendation 39** The Committee recommends that the General Insurance Code of Practice be amended to require insurers' identification of vulnerable customers and training of staff be designed so that customer interaction is compliant with ISO 22458 2022-04, the International Organization for Standardization's document Consumer vulnerability – Requirements and guidelines for the design and delivery of inclusive service.	Not fully met	While the ISO is referenced - the guidance does not adhere to the principles of the ISO and the guideline is not enforceable
PFI - 47	**Recommendation 47** The Committee recommends that the General Insurance Code of Practice be incorporated as a contractually enforceable clause in insurance Product Disclosure Statements (as is the Banking Code of Practice).	Not fully met	Like CR-101 here has yet to be confirmation from the ICA board that they will accept this upon ASIC approval.
PFI - 57	**Recommendation 57** The Committee recommends that the General Insurance Code of Practice (the Code) be reformed to implement Recommendation 63 of the Independent Review of the 2020 General Insurance Code of Practice, that is: where the insurer has not made a decision on a claim within 12 months, and the delay is not due to the consumer or other reasons beyond the control of the insurer, the Code should require the claim to be accepted. The	Not fully met	The way this has been drafted means it is highly unlikely that it will ever be enacted. See Clause 75. Any claim reaching 12 months already has to meet the exceptions at Clause 76 and thus will likely never be applied since if Clause 76 applies then Clause 75 does not apply.

PFI Rec	PFI Report Recommendations	Met or not met Recommendation	Final consumer position
	Committee further recommends that Australian Securities and Investments Commission consider using its powers in relation to claims management to enforce this obligation. This would not be triggered where a claim has been lodged with the Australian Financial Complaints Authority. This would be triggered where internal dispute resolution has commenced but is not resolved. If the insurer has not made a decision by 12 months, the claim must be paid.		
PFI - 76	**Recommendation 76** The Committee recommends the General Insurance Code of Practice be amended to require that insurers be required to consider relevant property-level mitigation measures in any new or renewing insurance policy, and to demonstrate how those measures have been reasonably reflected in the proposed premium. After the Code is registered with the Australian Securities and Investments Commission, the Committee also recommends that the Treasurer issue a ministerial direction for the appropriate regulator to periodically review insurers' compliance with passing on premium reductions.	Not met	The redrafted Code does not address mitigation measures as recommended