



5 February 2024

Attention: Veronique Ingram
Independent Chair
General Insurance Code Governance Committee

Sent by email to: info@codecompliance.org.au

cc: Prue.Monument@codecompliance.org.au, RvandeRijdt@codecompliance.org.au,
joanna.ifield@codecompliance.org.au

Dear Veronique,

CGC MONITORING PRIORITIES CONSULTATION 2024-25

Thank you for inviting the Insurance Council of Australia (Insurance Council) and its members to comment on the General Insurance Code Governance Committee (CGC)'s possible monitoring and compliance priorities for 2024-25.

We value the critical role of the CGC in promoting best practice examples of Code compliance, benchmarking industry performance against the Code, lifting compliance standards and identifying opportunities for our sector's continuous improvement.

When deciding where to focus its monitoring and compliance priorities, we encourage the CGC to consider the context of the broader operating environment and regulatory ecosystem the general insurance industry is working within.

We note the CGC's consultation paper mentions the CGC will carefully consider the findings of the Deloitte Report *The New Benchmark for Catastrophe Preparedness in Australia*¹ commissioned by the Insurance Council, as well as the findings of the Federal Parliamentary Inquiry into insurer's responses to the 2022 major floods claims².

We encourage the CGC to also consider where regulators like ASIC will be focusing attention, as ASIC has announced its enforcement priorities for 2024³ and it would be desirable to avoid duplication of effort.

It may be desirable for the CGC to also consider where the 2020 Code delivers the greatest value to individual and small business customers over and above the law, as only the CGC can monitor performance against these aspects of the 2020 Code. Our members identify that as one such area is in relation to supporting customers who are in urgent financial need or experiencing financial hardship, we welcome the CGC completing the priorities for hardship it announced as part of its response to its 2023-24 monitoring and compliance workplan⁴. These financial hardship compliance and monitoring priorities involved conducting a thematic inquiry into Code subscriber end-to-end processes for providing financial hardship support to consumers; and revising the CGC's Guidance Note 1 on

¹ ICA commissioned [Deloitte Report](#) *The New Benchmark for Catastrophe Preparedness in Australia* (October 2023)

² Federal Parliamentary [Inquiry](#) into insurers' responses into major floods claims

³ ASIC, [Corporate Plan 2023-2027](#) and ASIC [2024 Enforcement Priorities](#)

⁴ CGC, [Response Paper Monitoring Priorities Consultation 2023-24](#), page 6

Financial Hardship⁵, published on 1 March 2018, following consultation with stakeholders. We note the CGC published its Thematic Inquiry Report *Information about Financial Hardship support on Insurers' websites* on 30 June 2023 which was intended to be the first of a two part Thematic Inquiry into end-to-end processes for providing financial hardship support to consumers⁶. The second part of this work would be welcome.

Findings in this area would be highly useful at a time when an Independent Review of the 2020 General Insurance Code of Practice has been announced⁷.

We would welcome the opportunity to discuss this letter. If you have any queries, please feel free to contact me or Ai-Lin Lee, Senior Policy Advisor, Regulatory and Consumer Policy at alee@insurancecouncil.com.au or 0400 124 746.

Yours sincerely,



Andrew Hall
CEO and Executive Director

⁵ CGC, [Guidance Note 1](#) *Financial hardship obligations* (1 March 2018)

⁶ CGC, [Thematic Inquiry Report](#) *Information about Financial Hardship support on Insurers' websites* (30 June 2023), page 3

⁷ ICA, [Media Release](#) *Independent review of the General Insurance Code of Practice* (14 November 2023)