



News release

Insurance Council
of Australia

Monday, 17 June 2024

ICA supports changes to General Insurance Code of Practice

The Insurance Council of Australia (ICA) has outlined its support for strengthening the General Insurance Code of Practice (Code) in a number of areas, including financial hardship, customer vulnerability, and claims handling.

The proposed changes are included in the peak insurance body's [submission](#) to the Independent Code Review Panel, which is currently undertaking a three-yearly review of the Code.

First introduced in 1994, the Code sets out the standards that general insurers must meet when providing services to their customers and the timeframes for insurers to respond to claims, complaints and requests for information from customers.

The ICA's submission to the Code Review draws on the views of the organisation's members, who collectively provide around 90 per cent of all general insurance in Australia.

Proposed changes include:

- Enhanced financial hardship provisions to support customers with premium relief options.
- Expanded definitions of vulnerability for greater inclusion of LGBT customers and to recognise the impact of financial abuse and trauma.
- Improved identification of people most at risk of financial abuse and trauma, particularly after catastrophic weather events.
- Expanded review timeframes for claim decisions, for all general insurance claims and in particular those made following catastrophic weather events
- Allowing insurers to give updates on the progress of a claim that are more meaningful and useful for customers.

Given the number of significant reviews and inquiries currently underway, the ICA has proposed that any changes to the Code should wait until these reviews and their recommendations are finalised.

The submission supports a principles-based Code to allow insurers the flexibility to offer support and solutions tailored to customers' particular vulnerabilities and circumstances.

Quote attributable to ICA CEO Andrew Hall:

The General Insurance Code of Practice is a vitally important document for our industry and its customers, providing guidance and setting expectations for insurers and policyholders alike.

The Insurance Council's submission to the Independent Review Panel, which has been drafted in consultation with our members, proposes sensible and workable solutions for strengthening the Code while maintaining its operational efficiency and effectiveness.

We believe these proposals would see the Code continue to prioritise customer protections while remaining responsive to our changing regulatory landscape and operating environment, which is still providing some of the most challenging circumstances for insurers and their customers ever seen.

The industry has drawn on a number of lessons learned from the record-breaking floods of 2022 and many of the declared catastrophic events since then.