



News release

Insurance Council
of Australia

Friday, 16 August 2024

Insurers take new approach to use of expert reports

A new standard agreed by general insurers will provide additional clarity and certainty for customers when independent expertise is required to help determine a claim.

The Expert Report Best Practice Standard has been developed by the Insurance Council of Australia (ICA) to provide consistency when insurers are using reports by experts such as hydrologists, engineers, builders, or specialist tradespeople.

The development of the Standard follows concerns raised by consumer advocates and insurance customers, including through the hearings of the Parliamentary Inquiry and the independent Review of the General Insurance Code of Practice currently underway.

Expert Reports are typically produced following on-site inspections where the expert visits a property to undertake their assessment and outline the specific cause of damage and / or how that damage could be repaired.

The new standard sets out the process of generating an Expert Report, how the Report is to be used, and what insurance customers should expect, including:

- Plain and clear language
- Factual and neutral reporting
- Timely delivery
- Consideration of relevant matters
- Objectivity
- Clear customer engagement and opportunities for feedback
- Timeliness
- Consideration of customer vulnerabilities
- Relevant qualification details

The ICA has also developed a consumer-friendly Fact Sheet on the new Standard. The Expert Report Best Practice Standard and explanatory Fact Sheet can be found at insurancecouncil.com.au/ExpertReports.

Quote attributable to ICA CEO Andrew Hall:

Not all insurance claims are straightforward – sometimes insurers require expert advice to help them determine the cause of damage or the extent of repairs.

But we know that customers have too often found this process to be unclear, and as non-experts feel like they are at a disadvantage.

We have heard this feedback loud and clear. That is why we have developed an Expert Report Best Practice Standard to provide consistent guidance on the use of Expert Reports for insurers and greater clarity for customers about their rights and expectations.

We will be recommending to the independent Code Review Committee that the Standard is referenced in the next version of the Code to provide additional certainty and rigour around the use of Expert Reports.