



News release

Insurance Council
of Australia

Wednesday, 24 June 2026

Insurance industry opens consultation on new Code of Practice

The Insurance Council of Australia has today opened public consultation to seek feedback on the new draft General Insurance Code of Practice.

The new draft Code has been rewritten to enhance consumer outcomes in a changing insurance and customer environment.

The draft Code has been developed through extensive consultation with consumer advocates, regulators, and general insurance providers.

It draws on the Industry Action Plan, released in March 2025, which followed recommendations from the Independent Code Review and the Parliamentary Flood Inquiry.

The redrafted Code delivers a significant uplift in protections for consumers, including:

- **Legal enforceability:** pending ASIC approval, the Code will be enforceable in consumer contracts (except for the Principles and Section 10 on Enforcement), making the Code legally enforceable as part of an insurance contract for the first time.
- **Automatic claim acceptance:** home and motor claims will be automatically accepted after 12 months where no decision has been made, subject to defined exceptions.
- **Stronger support for customers experiencing vulnerability:** a new circumstances-based definition of Vulnerability and a new Extra Care framework set out additional support and flexibility for vulnerable customers.
- **Broader family violence protections:** the definition of family violence now covers family and domestic violence, including financial abuse and coercion, with key protections becoming contractually enforceable insurer obligations.
- **Better claims experiences:** enhanced expectations for trauma-informed claims handling and strengthened requirements for primary points of contact and cash settlements.
- **Higher standards for expert reports:** new obligations for insurers and External Experts to comply with the Insurance Council's Expert Report Best Practice Standard.

The current Code will remain in place and continue to provide strong consumer protections while the Code is under review.

Information on making a submission is available on the [Insurance Council website](#), with consultation open until 21 July 2026.

Quotes attributable to ICA CEO Andrew Hall:

The world has changed and the Code needs to keep pace with those changes; customers face more frequent extreme weather, more complex claims, and new technology that is reshaping every part of the insurance process.

This is a real uplift in consumer protections, with real practical changes that put the customer first.

(continued)

For the first time, insurers' key commitments under the Code will be legally enforceable, claims left undecided after 12 months will be automatically accepted, and new vulnerability protections provide greater support for customers who need it most.

We want this Code to be the strongest it can be, and we look forward to hearing from anyone with feedback before consultation closes on 21 July.

ENDS

Note for media: The below table summarises the most significant changes from the current GICOP, to the redrafted GICOP.

Proposed change	Rationale
Contractually enforceable	<p>The redrafted Code will be contractually enforceable in consumer contracts (except for the Principles and Section 10 on Enforcement). This responds to a key stakeholder ask and reflects the industry's commitment to strengthening consumer protections by providing consumers with additional avenues for enforcement.</p> <p>The redrafted Code will now be enforced through:</p> <ul style="list-style-type: none"> • Contractual rights: Code subscribers will embed the Code in customer contracts. • Independent oversight: the General Insurance Code Governance Committee (CGC) will monitor compliance with the Code and apply sanctions, where appropriate. • Dispute resolution: consumers can take complaints to the Australian Financial Complaints Authority (AFCA).
Updated Principles	Updated Principles underpin the Code which are customer-centric, operational and outcomes-focused across key areas including claims handling, disaster response, vulnerability support and the responsible use of technology.
Honest, efficient and fair	Paragraph 21 of the current Code has been included in the principles, aligning its language with the Corporations Act.
Definition of 'vulnerability' and Extra Care	<p>New definition of Vulnerability adopts a circumstances-based approach. It focuses on situations that may limit a customer's ability to access or use general insurance products or services, or make financial decisions, and recognises that vulnerability can be dynamic and change over time.</p> <p>New definition of Extra Care to clearly articulate the additional support or flexibility that may be provided to customers experiencing Vulnerability.</p>
Updated definition of 'wholesale insurance'	Clarified definition of Wholesale Insurance which expressly identifies the types of policies a Small Business can hold that are covered.
New commitments	<p>New and expanded commitments including:</p> <ul style="list-style-type: none"> • New automatic acceptance of home and motor claims after 12 months where no decision has been made, subject to defined exceptions.

- Expanded definition of 'Urgent Financial Need' to explicitly include essential needs.
- Broadened definition of family violence to include family and domestic violence, including financial abuse and coercion.
- Strengthened and expanded Code provisions to include key principles from the Insurance Council's Guide to helping customers affected by family violence and Guide on Mental Health. Industry anticipates replacing these Guides with the proposed Code's new contractually enforceable obligations.
- Enhanced expectations regarding trauma-informed claims handling.
- Strengthened requirements for primary points of contact and cash settlements; and
- New obligations for insurers and External Experts to comply with the ICA's Expert Report Best Practice Standard.

Code review process

Review of the Code to take place at least every five years (instead of every three years). This timeframe is intended to provide sufficient opportunity for industry to assess the impact of the new Code and to account for the ASIC approval processes.

Drafting updates

- Redrafting of several key elements to reflect the Code's contractually enforceable nature and improve clarity and transparency for consumers.
- Re-ordering sections to align with how customers engage with insurers.
- A plain English review was supported by a leading consumer advocate to enhance accessibility and understanding.
- Capitalisation of defined terms throughout the Code to improve consistency and assist navigation.

New vulnerability guidance

A new 'Extra care for general insurance customers experiencing vulnerability' guidance will accompany the Code. The guide was drafted with valuable support from Catherine Fitzpatrick (CEO & Founder – Flequity Ventures) and incorporates global best practice standards in addition to stakeholder insights, including consumer lived experience.

Minimised legislative or regulatory duplication

Removal of some provisions where they are duplicative of other legislative or regulatory obligations to avoid the risk of consumer confusion. Duplication has been retained where it provides helpful consumer clarity.

Complaints changes

Revised and streamlined complaints section to reduce consumer confusion now this is duplicated within ASIC's Regulatory Guide 271 Internal Dispute Resolution (RG 271).

Clarification on the role of the CGC

Simplified provisions on the role and powers of the General Insurance Code Governance Committee.