Association of Insurance Building & Engineering Consultants

16 July 2026

Insurance Council of Australia

Email: codeofpractice2026@insurancecouncil.com.au

RE: 2026 Submission on the redrafted Code of Practice

Dear Madam/Sir

In respect to the 2026 redrafted Code of Practice, AiBEC-Association of Building and Engineering Consultants thank you for the opportunity to make a contribution towards your consultation deliberations.

Our Association is made up of Members and Allied Supporters, individuals and companies who play a critical and increasingly important role in the settlement of claims in particular as Experts, Builders, Repairers and Service Providers.

We wish to submit the following recommendations for you to consider.

OVERVIEW

We consider the redraft of the Code with respect to **External Experts** a positive change and an uplift to the claims handling process for all stakeholders.

We consider the new definitions of **External Experts** and **Claims Fulfilment Provider** now clearly define the roles, required expertise and qualifications including reference to the Insurance Council of Australia Guide *Use of Experts: Industry Best Practice* in the Code within the redraft of the Code between External Experts and Builders, Restorers and Repairers (Claims Fulfilment Provider) including type of reporting - Assessment of loss or damage reports (Tier 3 see below) and expert reports (Tier 2 see below).

We support the new definitions that delineate that an Expert cannot be a Service Supplier or Claims Fulfilment Provider (Restorer, Builder or Repairer) or Service Provider (Loss Adjuster).

This aligns with AiBEC's previous recommended tiered structure for expert engagement, distinguishing between Tier 1 (Master – Expert Evidence & Witness), Tier 2 (Professional – Expert Reports), and Tier 3 (Fundamental – Trade-Qualified Specialist Reports).

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In our view, the new definitions clearly define a difference between an Expert Report and Restorer, Builder or Repairer Assessment Report.

We also support Clause 72. that newly establishes accountability for Experts performance including part (c) that requires additional training.

AiBEC supports the requirement that External Experts comply with the ICA Guide *Use of Experts: Industry Best Practice.*

We strongly recommend that the Code be amended at Clause 71 to include a statement that **" The *Use of Experts: Industry Best Practice* be reviewed annually in consultation with industry stakeholders".** This will help ensure the Guide remains current, relevant, and aligned with evolving industry practices and expectations.

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AiBEC's SUPPORTIVE & STRENGTHENING EXPERT TRAINING & QUALIFICATION INITIATIVES FOR THE CODE

AiBEC supports the redraft of the Code in principle and considers from an External Expert perspective a strengthened Code to uplift the quality, training and transparency of the appointment and use of External Experts in claims assessing and handling process.

In saying this, we respectfully outline our supportive and strengthening expert training and qualification initiatives for the Code in positively affirming its uplift in ensuring best practice as outlined in the Insurance Council of Australia Guide *Use of Experts: Industry Best Practice* which we refer to the following sections as follows:

Use of Expert Reports: Industry Best Practice Standard	*AiBEC Training and Qualification Initiatives to Positively Strengthen and Support the Code for External Experts*
1. Pre-Report Commissioning a. Relevant Expertise Prior to an expert report being commissioned, insurers must ensure the expert being briefed is relevant, qualified, and objective. **This can be done by maintaining a panel of experts whose qualifications are assessed and regularly reviewed, with consideration given to the expert's membership of any relevant industry or qualification bodies, and evidence of engagement in continuous professional development activities if applicable.**	AiBEC, as an industry-based Association representing experts has adopted and taken the following initiatives to strengthen and positively support the Code by way of: **<u>Training Courses for Experts as Insurance Industry Claims Consultants (Experts, Service Providers & Claims Fulfillment Providers)</u>** ***Course 1: ANZIIF/AiBEC Certificate and Advanced Certificate in Claims Consulting*** The two courses represent a significant milestone for professional consultants and has benefits for all consultants operating in the insurance industry. We believe over time, the completion of the Certificate in Claims Consulting will be the benchmark for all consultants involved in insurance claims. Completion of the Certificate in Claims Consulting (10 modules) will entitle graduates to use the qualification Cert in Claims Consulting and is a pathway to ANZIIF Affiliate membership and CIP accreditation. Also, AiBEC non-members who complete the course will be eligible to join the AiBEC community as Affiliate members and use the post nominals IAM (Individual Affiliate Member).

	Short Course 2: In strengthening and supporting the Code, AiBEC has developed in collaboration with ANZIIF the Short Course - Getting It Right: right expert, right job, right time. This course will help claims agents and brokers understand the differences between types of experts and the matters they can address and empower them to select and brief an appropriate expert every time. Suitable for anyone involved in claims management - particularly residential property damage claims - including in-house claims agents, brokers and junior loss adjusters. On completion of the course, learners will be able to: • identify when specialist expertise is required • select the appropriate expert for the situation • brief experts to provide the details required • interpret expert reports and apply their findings to the claims decision • recognise and avoid the common pitfalls. ***Short Course 3:*** In strengthening and supporting the Code, AiBEC has developed in collaboration with Bond University x AiBEC – Short Course – Understanding Obligations & Implementing CPS 230 The course unpacks how obligations flow through contractual relationships, and equips insurance service providers to demonstrate operational resilience, governance maturity, and robust risk management capability. **<u>Expert Qualifications and Assessment for Maintaining Suitable Expert Panel including Training Insurance Industry Recognition</u>** AiBEC Membership and monitoring of qualifications and recognition on AiBEC Community Directory which provides clear and transparent availability of experts qualifications and areas of expertise for reference by all stakeholders.

	Expert Membership of Relevant Industry Body including Continuous Professional Development AiBEC membership guarantees minimum standards of relevant qualifications including ongoing Continual Professional Education (CPE). AiBEC is also introducing a new licensing framework under which Members who complete the ANZIIF/AiBEC Certificate in Claims Consulting will be registered as a Qualified Insurance Expert (QIE). QIE will be a mark of successful completion of the course, provides a pathway to ANZIIF Affiliate Membership and Certified Insurance Professional (CIP) accreditation. Completing the Certificate demonstrates a commitment to professional excellence, ethical practice and raising standards across the claims settlement process.

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Use of Expert Reports: Industry Best Practice Standard	*AiBEC Training and Qualification Initiatives to Positively Strengthen and Support the Code for External Experts*
2. The Report Itself a. Format Insurers should ensure that reports: iii. consider all relevant matters in relation to the event and the loss (for example, if the issue is about ground movement, have they considered the soil profile, floor levels, leaks and so on);	AiBEC, as an industry-based Association representing experts has adopted and taken the following initiatives to strengthen and positively support the Code by way of: **AiBEC x School of Civil Engineering, The University of Sydney – Industry & Academia 12 Month Research Initiative Addressing Flood and Escape of Liquid (EOL) Damage Assessments to Buildings including Engineers Australia Industry Partnership to Develop an Industry Guide.** There currently is no formal industry guideline or empirical framework that links observed damage to key physical drivers such as foundation material, moisture exposure within the ground, and the interaction with different building construction and footing systems. As a result, many insurance assessments and engineering reports continue to rely on opinion rather than demonstrable engineering evidence. This has contributed to inconsistent conclusions on cause and extent of damage, disputed claims, inappropriate repair strategies, and poor outcomes for property owners, insurers, and engineers. Drawing directly on engineering principles and empirical data, the project aims to replace opinion-based judgment with defensible technical analysis which this Guide and Study aims to evidentially demonstrate scientific understanding and cause of loss and resultant damage. This Guide aims to help insurers, engineers, and claims professionals assess damage more accurately and consistently. The study examines how moisture affects different soil types and building foundations, and how these factors contribute to structural movement over time. The initiative is expected to deliver significant benefits across the claims process, including: ◇ More consistent, scientifically supported engineering reports. ◇ Fairer and more accurate claims outcomes. ◇ Faster dispute resolution and reduced escalation to the Australian Financial Complaints Authority ◇ Reduced reliance on subjective assessments.

	◇ Improved risk assessment, underwriting, and pricing strategies.

CONCLUSION

AiBEC aims to improve claims outcomes for insurers and consumers by improving the claims handling experience and we believe development of a Best Practice for Engagement of Experts by ICA with input from AiBEC and others is a positive steps in such an objective.

Should you require further information or elaboration please contact, in the first instance, our CEO Tony Libke at [redacted]

Yours sincerely

Tony Libke – Chief Executive of AiBEC