



Insurance Council  
of Australia

October 2026

# Executive Summary: A stronger and more accountable Code

The Insurance Council of Australia has carefully considered feedback received through public consultation on the redrafted General Insurance Code of Practice. The final redraft, which will go to the Australian Securities and Investments Commission (ASIC) for approval, represents a substantial uplift in consumer protection, with a focus on clear, practical and enforceable commitments that deliver meaningful customer outcomes.

The redraft reflects areas of stakeholder agreement, as well as areas where views differed on prescription, enforceability and operational flexibility. It strengthens protections to provide clear consumer benefits and delivers greater clarity and accountability. It is designed to complement the existing legislative, regulatory and dispute-resolution frameworks that apply to general insurers.

## A substantial uplift in consumer protection

The redrafted Code strengthens enforceability, vulnerability and hardship protections, claims handling, transparency and accountability, while retaining flexibility to operate across a diverse general insurance market.

### STRONGER PROTECTIONS

Clearer and enhanced customer-facing commitments

### GREATER ACCOUNTABILITY

Contractual enforceability and independent oversight

### PRACTICAL & PROPORTIONATE

Designed for different products, customers and claims

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## KEY CHANGES

### 01 Contractual enforceability

For the first time, Code obligations are incorporated into consumer insurance contracts, giving customers a direct contractual right to enforce those obligations. This gives consumers stronger avenues to hold insurers accountable, including taking action through the courts, making a complaint to AFCA, and having potential Code breaches investigated by an independent Committee.

### 02 Vulnerability & Extra Care

New definitions and strengthened obligations, including for family and domestic violence and mental health, support more effective identification of and responses to vulnerability.

### 03 Financial hardship

Clearer and more accessible obligations strengthen information and support available to customers experiencing financial hardship.

### 04 Claims handling

New 12-month automatic acceptance of claims, earlier review requirements and new standards for temporary accommodation.

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### 05 Small business

Important Code protections extend to eligible individuals connected to small businesses with wholesale insurance, including complaints handling, Extra Care, and Financial Hardship protections.

### 06 Expert reports

New requirements strengthen standards for External Experts and improve customers' access to reports relied on in assessing claims.

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### 07 Cash settlements

Greater transparency around scopes of work and settlement offers to help customers better understand, compare and assess settlement options.

### 08 Customer communications

Clearer requirements to strengthen the information customers receive about claims progress, updates and applicable timeframes.

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### 09 Efficient, honest & fair

The overarching principle that Code subscribers provide services efficiently, honestly and fairly is supported by actionable obligations throughout the Code.

### 10 Governance & oversight

Independent Code Governance Committee oversight with Community Benefit Payment doubled from \$100,000 to \$200,000, and a clearer focus on serious and systemic issues within the new contractual enforcement framework.

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## THE RESULT

**Taken together, these reforms significantly strengthen and modernise the Code, with clearer consumer protections, stronger accountability and a framework designed to remain practical and effective across the general insurance market.**