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General Insurance Code of Practice Independent Review Panel Encourages Stronger ICA Action Plan

The independent panel (Review Panel) that undertook the review of the General Insurance Code of Practice (Code) in 2024 welcomes the release of the [Action Plan](#) by the Insurance Council of Australia (ICA) but encourages stronger action on key recommendations.

The Action Plan responds to the recommendations from the Review Panel's [Final Report](#) as well as the House of Representatives Standing Committee on Economics' report [Flood failure to future fairness](#) (Flood Inquiry Report). The latter, released in October 2024, follows its inquiry into insurers' responses to major floods claims from 2022.

The Review Panel recognises the significant number of recommendations and regulatory obligations facing the insurance industry. It welcomes the ICA's comprehensive Action Plan, which aims to address the issues raised in the Code Review and Flood Inquiry Report in a timely way.

However, the Review Panel's view is that stronger action is needed in key areas to genuinely improve the experience and outcomes for consumers.

"The Review Panel would like to see the industry take the steps needed to make the Code part of the contract with their customers so that the Code provisions are backed by contractual enforceability, as is the case for the Banking Code of Practice.

We also strongly encourage the ICA to implement the important recommendations on premiums and pricing by seeking ACCC authorisation for conduct that creates a public benefit. Consumers should not pay more for monthly premiums versus annual premiums, and premiums for renewals should not be more expensive than premiums for new customers."

The Review Panel notes that there are a significant number of recommendations that insurers will either investigate further or will leave to individual insurers to act on if they determine it appropriate. We again encourage the ICA to consider all the Review Panel's recommendations and aim to submit a revised Code for ASIC approval expeditiously. In the meantime, the Panel hopes that the ICA and insurers continue to take steps to improve industry practices in the areas the subject of the various recommendations ahead of the formal implementation of the revised Code. It is also important from an accountability perspective that the ICA and industry are transparent, on an ongoing basis, about their response and the changes in practice that have been and continue to be made.

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