

Thematic Inquiry

Implementation of the Public-Facing
Obligations of the 2020 Code

June 2022



GENERAL INSURANCE
Code Governance Committee

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on 10 November 2021

1. Executive Summary

The 2020 General Insurance Code of Practice (2020 Code) introduced obligations for Code subscribers to make certain information publicly available, to provide specific support to consumers and to generally promote Code subscribers' adoption of the 2020 Code.

The General Insurance Code Governance Committee (the Committee) has undertaken a review of Code subscribers' implementation of five of these obligations – paragraphs 43, 48, 105, 140 and 186(a).¹

Table 1: Obligations under this review

2020 Code paragraph	Implementation due date
43. We will have a publicly available policy on our approach to the development and distribution of our products for appropriate target markets. This policy will be published on our website.	1 July 2021
48. When you apply for or renew a home building insurance product, but not a strata insurance product, we will provide you with access to a calculator that is periodically reviewed and updated to enable you to estimate your sum insured.	1 July 2021
105. We will have information about applying for Financial Hardship support on our website. The information will set out the types of support options that may be available, and how you can access Financial Hardship support.	5 October 2021
140. We will make readily available information about: a. your right to make a Complaint; b. our internal processes for dealing with Complaints; and c. our external dispute resolution provider, This will be published on our website, other digital platforms and in our relevant written communications.	1 July 2021
186(a). We will: a. provide information about the Code and the Code Governance Committee on our websites, in our product information and in other places we consider it appropriate to do so;	1 July 2021

This is the first thematic inquiry undertaken and published by the Committee. This inquiry involved 14 Code subscribers, who were asked to provide responses to a questionnaire containing 72 questions. The questions were to test whether they met implementation timeframes for the public-facing obligations of the 2020 Code.

The findings in relation to implementation are summarised below.

¹ Paragraphs 95 and 103 were excluded from the review as they were the subject of an earlier review.

Factors contributing to efficient implementation

Four out of the 14 Code subscribers (29%) complied with all five public-facing obligations. They noted that the following factors contributed to the efficiency of their implementation:

- **A structured implementation program for the whole of the 2020 Code.** These Code subscribers managed their implementation of various public-facing obligations by theme.
- **Internal governance.** One Code subscriber had the advantage of a simple approval process for website updates and noted that the website can be individually updated by a member of the team.
- **Efficient relationships** with intermediaries.

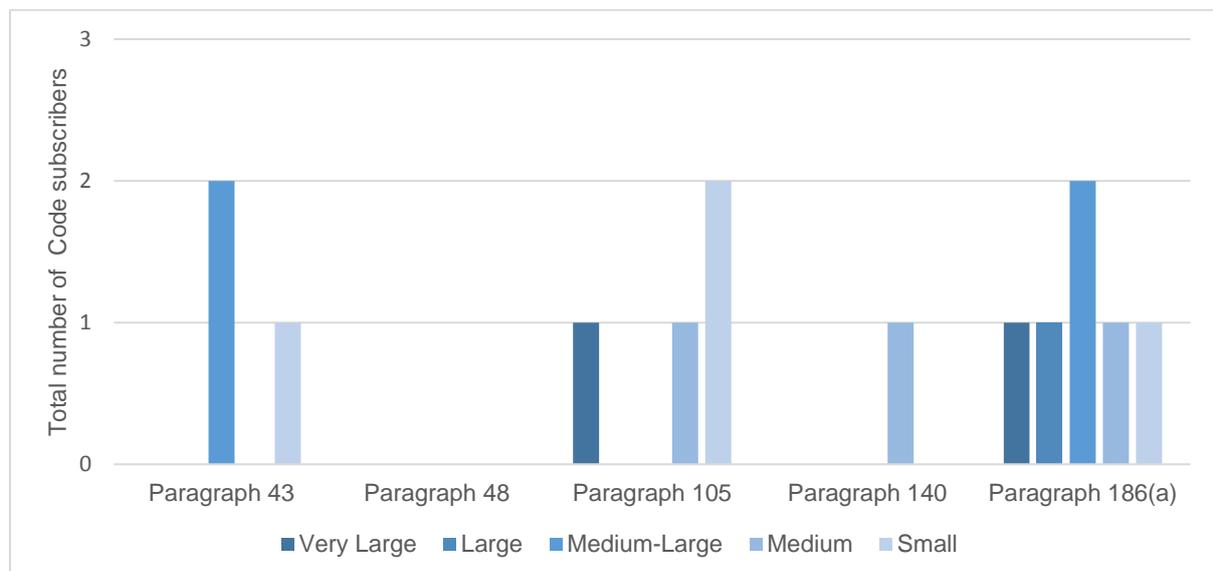
Was implementation achieved on time?

As is evident from Figure 1 below, paragraph 186(a) (requiring Code subscribers to have information about the Code and the Code Governance Committee on their websites, product information and other places), had the lowest implementation compliance rate. Six of the participating subscribers failed to implement paragraph 186(a) by the required date.

This was followed by paragraph 105 (requiring Code subscribers to have information about applying for financial hardship support, the types of support options which may be available and how a consumer can access financial hardship support on their website), with four of the participating subscribers failing to implement on time.

All participating subscribers who offered home insurance complied with the requirement to provide a sum insured calculator (paragraph 48) by 1 July 2021.

Figure 1: Number of Code subscribers not implementing on time



Participating Code subscribers who were late in implementing the public-facing obligations of the Code were mainly ‘Small’ and ‘Medium’ Code subscribers.² Eight small and medium subscribers fell into this category. ‘Very Large’ and ‘Large’ Code subscribers accounted for 14.2% (two counts of late implementation) and 7% (one count of late implementation) of delayed implementation, respectively.

The Committee is aware that implementation deadlines for the public-facing obligations of the Code coincided with significant regulatory and legislative change. The Committee is therefore not surprised that larger Code subscribers with greater resourcing and systems capabilities were able to meet the implementation deadlines more easily. One ‘Small’ Code subscriber raised resourcing issues during our engagement with it.

Another ‘Small’ Code subscriber told the Committee it has a simple website approval process and therefore less red tape to implement the public-facing obligations. The Committee notes we did not see this reflected in our results for other ‘Small’ Code subscribers who participated in the questionnaire.

In one instance, implementation delays were caused by a misunderstanding of the scope of the obligation. One ‘Very Large’ Code subscriber noted that it was unclear on the scope of paragraph 105 and whether it applied to its Distributors and Service Suppliers. The Code subscriber noted that there were also queries from consumer groups at the time on including premium payments in the financial hardship policy to address ongoing COVID-19 environment.

The Committee’s implementation review helped one ‘Large’ Code subscriber to identify that it had not complied with the full scope of its obligations under paragraph 186(a) of the Code. This paragraph requires Code subscribers to provide information about the Code and the Code Governance Committee on their websites, in product information and in other appropriate places.

Significant breaches and sanctions

The Committee wrote to the Code subscribers who had compliance gaps around the time of our follow up meetings in February and March 2022 to assess the extent of the breach and determine whether any further corrective actions may be needed. We also asked the subscribers to consider whether their failure to comply constituted a Significant Breach of the 2020 Code that is required to be reported to the Committee in accordance with paragraph 181 of the 2020 Code. Alternatively, we asked subscribers to provide their reasons if they did not consider the breach to be a Significant Breach.

² We have excluded Code subscribers that do not sell home building insurance (and are therefore not required to comply with paragraph 48) from the overall breach % results outlined above.

The Committee is currently assessing Code subscribers' responses to our requests for further information to determine whether a Significant Breach of the 2020 Code has occurred and whether to impose a sanction.

The Committee has already determined one Code subscriber significantly breached paragraph 186(a) of the 2020 Code and is following up with this subscriber to understand the date it will have fully completed by.

The Committee reminds Code subscribers under the 2020 Code it may impose one or more sanctions on a Code subscriber for a breach of the Code or for a Significant Breach of the Code (paragraphs 170 and 174). The Committee's approach to exercising its sanctions power is outlined in its published *Operational Guidance on Imposing Sanctions under the 2020 General Insurance Code of Practice*.³

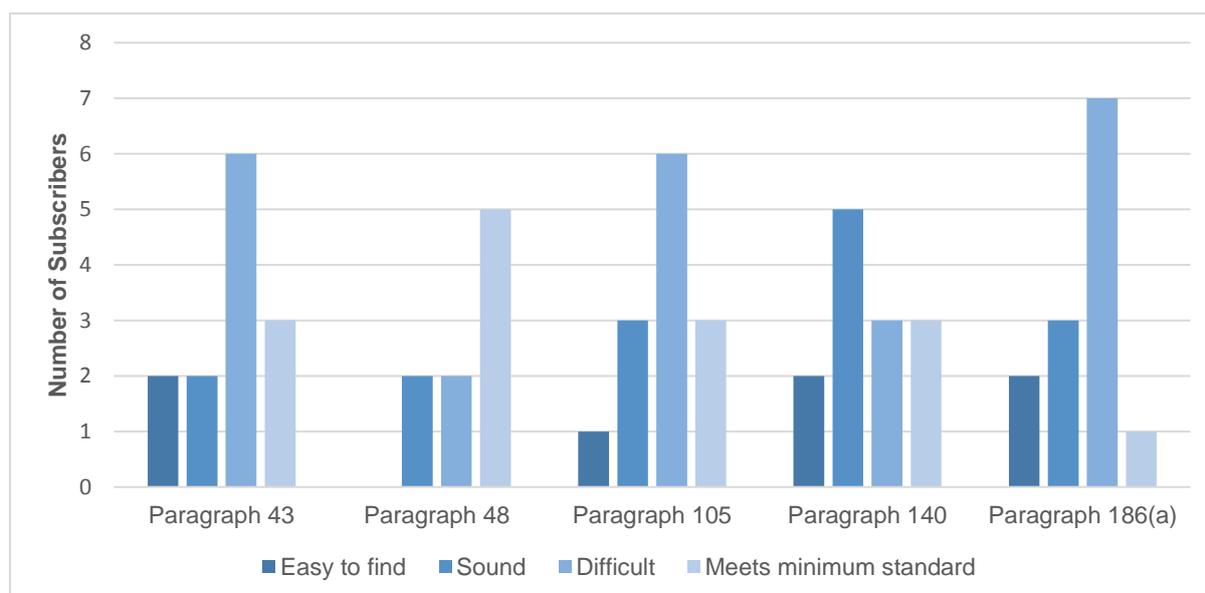
Ease of access

It is the Committee's view that Code subscribers should publish material about their public-facing obligations prominently on their websites.

Digital accessibility is important in an era where consumers are increasingly using technology to access information. Given that the information that is the subject of these obligations is intended to provide assistance and support to consumers, it is important that they are visible and within easy reach on websites.

The Committee takes special note of Code subscribers who have considered the best way to make material pertaining to the public-facing obligations policies available to consumers and maximise accessibility.

Figure 2: Accessibility findings



³ <https://insurancecode.org.au/app/uploads/2021/12/FINAL-CGC-Operational-Guidance-on-Sanctions-16.12.21.pdf>

The requirement under paragraph 43 of the 2020 Code (requirement for subscribers to have a publicly available policy on their approach to the development and distribution of their products for appropriate target market on their website) was the most accessible public-facing obligation.

By contrast, the requirement to publish a sum insured calculator under paragraph 48 of the 2020 Code was the least accessible public-facing obligation – the calculators of five of nine Code subscribers who made their calculators available on their websites by the due date were accessible via three or four clicks from the website homepage (approximately 55%).

Post implementation review

The review also highlighted that an effective post-implementation review program is important to ensure that the information or policies that is the subject of these obligations continues to reach consumers. Three Code subscribers informed us they had thought they completed implementation of an obligation and it was only through their post-implementation review they identified compliance gaps. Having identified any compliance gaps, the Code subscribers remedied the breach and ensured they were fully compliant.

The Committee notes that information can also be inadvertently omitted when systems changes occur. The Committee therefore considers it is an important ongoing exercise even though the Code does not require it.

In our follow up meetings with Code subscribers, more Code subscribers informed us they had conducted or intended to conduct a post-implementation review than had said they would in the questionnaire. The Committee is pleased to see 12 of the 14 participating subscribers (86%) had already conducted or are currently doing a post-implementation review of the whole of the 2020 Code.

Another Code subscriber noted that the questionnaire guided them with their post-implementation review of the whole 2020 Code.

Some subscribers also told us their post-implementation review is not a 'set and forget', but rather an ongoing piece of work built into their everyday work.

Good practice in promoting the Code and its obligations

The Code sets out specific ways in which some information should be provided to the public. For example, the Code obliges Code subscribers to provide information about the Code and the Code Governance Committee on the subscriber's website, in product information and in other places the Code subscriber considers it appropriate to do so.

We asked Code subscribers whether they had published the information underlying each of the public-facing obligations in any other place than what was stipulated in

the relevant Code obligation. The Committee considers it to be good practice for a Code subscriber to do this in promoting the Code and its obligations.

Some Code subscribers shared examples of how they have implemented the public-facing obligations across their various platforms, even when not required to do so by the Code. We have provided further examples of these in this report to assist subscribers with their post-implementation reviews and how they can consider enhancing their compliance.

2. Recommendations

Based on the analysis of Code subscribers' implementation of the public-facing obligations, the Committee has five recommendations for improvement.⁴

Implementation

1. Code subscribers should have **robust** and **well-structured** implementation programs to ensure they meet the implementation timeframes for the General Insurance Code of Practice.

Interpretation

2. Code subscribers are encouraged to **broadly interpret and apply the scope** of the public-facing obligations contained in the Code to maximise transparency for consumers. There are no exemptions to these obligations irrespective of Code subscribers' business models.

Accessibility

3. Code subscribers should ensure the webpages containing information and/or policies for the public-facing obligations contained in the Code are **easy to find** to maximise accessibility.

Timeframes

4. Code subscribers should not confuse the implementation timeframes of their Code obligations with their statutory obligations.

Post implementation review

5. Code subscribers are encouraged to complete **post-implementation reviews** to identify areas for improvement, including the use of website analytics to track and improve accessibility.

⁴ We have included this information with this format to assist subscribers' governance and communications with their executive management and the board.

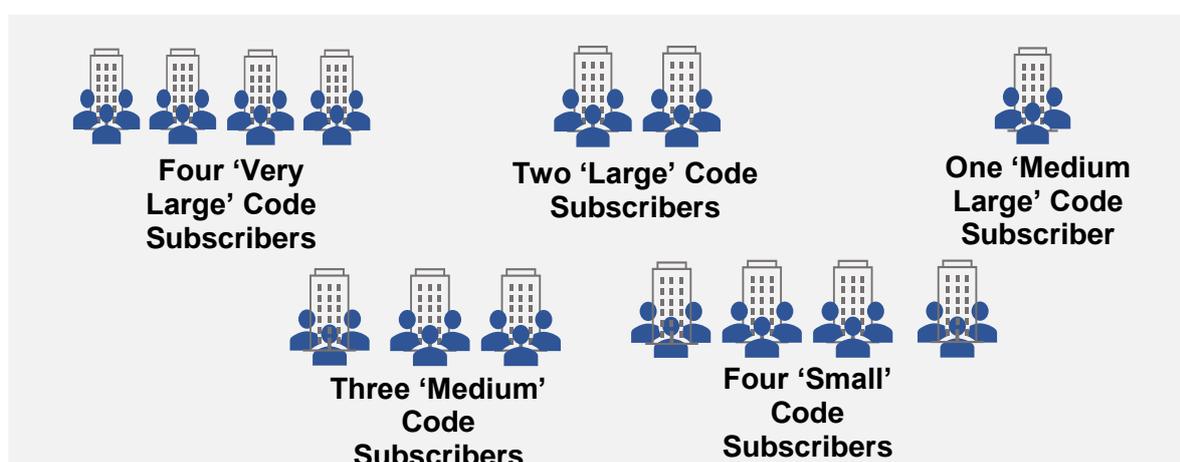
3. Background to the inquiry

The 2020 Code was published at the beginning of 2020. It introduced obligations for Code subscribers to make certain information publicly available, to provide specific support to consumers and to generally promote Code subscribers' adoption of the 2020 Code. Five of these obligations – paragraphs 43, 48, 105, 140 and 186(a) – were the subject of this implementation review.

The public-facing obligations demonstrate Code subscribers' commitment to the principles that underpin the 2020 Code, in particular transparency. The obligations provide important information and resources for consumers.

4. Scope and methodology of the inquiry

This is the first thematic inquiry undertaken and published by the Committee. Fourteen Code subscribers were selected to participate in this inquiry.⁵



This size categorisation of Code subscribers is consistent with the definitions used in the CGC's 2020-21 Annual Report, as summarised below.

Market Size	Number of policies sold or renewed during the financial year
Very Large	> 3,000,000
Large	1,500,001 to 3,000,000
Medium Large	650,001 to 1,500,000
Medium	100,501 to 650,000
Small	0 to 100,000

The subscribers who participated in our inquiry collectively issued approximately 31.6 million policies (approximately 72% of total policies issued by the industry) during the 2020 financial year.

⁵ Code subscribers were randomly selected based on their size cohorts and breach numbers from the 2019-20 and 2018-19 Annual Data Return. Size was proxied by the number of policies sold.

Each Code subscriber was requested to respond to a questionnaire containing 72 questions. A copy of the questionnaire is provided in **Appendix A**.

The questions were designed to test whether a Code subscriber met implementation timeframes for the public-facing obligations of the 2020 Code. Except where noted, this review does not cover the content or quality of the information underlying each obligation.

This thematic inquiry investigated:

- Whether Code subscribers had implemented paragraphs 43, 48, 140, and 186(a) as of 1 July 2021.
- Whether Code subscribers had implemented paragraph 105 as of 5 October 2021.
- How accessible the required information is; and
- Whether there is any variation in how Code subscribers interpreted the public-facing obligations.

The Code Compliance and Monitoring team (Code team) undertook this thematic inquiry into the public-facing obligations of the 2020 Code on behalf of the Committee as part of the Committee’s compliance monitoring role.

In February and March 2022, the Code team held follow up meetings with representatives from each of the 14 participating Code subscribers, to share findings applicable to all participants on a de-identified basis, as well as individual findings.

Accessibility

In our questionnaire, we also asked Code subscribers to specify whether the information and/or policy about each public-facing obligation was accessible on its website homepage, and if not, how many ‘clicks’ it takes to navigate to it.

The Committee assessed the ease of access for each public-facing obligation and applied one of the five ratings outlined below.

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy	Accessing the information or policy requires one click from the home page	Accessing the information or policy requires two clicks from the home page	Accessing the information or policy requires three or more clicks from the home page	No information or policy on website

We have shared our accessibility findings throughout this report.

5. Detailed findings

Acknowledgment of operating environment

During our engagement, all Code subscribers told us they faced challenges during the period they were required to implement the public-facing obligations as they were concurrently implementing legislative reforms introduced as a response to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry.

The Committee acknowledges the pressures and challenges faced by the industry, however, considers the 2020 Code implementation timeframes were clear and all Code subscribers should have complied on time.

The Committee notes that Code subscribers were provided with a long lead in time for implementation of the 2020 Code. The original date for implementation of the 2020 Code was 1 January 2020, however, this was extended to 1 July 2021 due to the ongoing impact of the COVID-19 pandemic and natural disaster recovery.

Paragraph 43

We will have a publicly available policy on our approach to the development and distribution of our products for appropriate target markets. This policy will be published on our website.

Paragraph 43 falls under Part 6: Buying insurance. This part applies to Retail Insurance products only.

Publicly available policies on the development and distribution of products for appropriate target markets assist consumers to select products that are appropriate for their needs. This complements the statutory requirement for general insurers to comply with the design and distribution obligations in Pt 7.8A of the *Corporations Act 2001* (Corporations Act). These obligations are intended to help consumers obtain appropriate financial products by requiring product issuers and distributors to have a consumer-centric approach to designing and distributing products.

Results

The Committee found 11 of the 14 Code subscribers (79%) completed implementation of paragraph 43 by the required date. Three Code subscribers (21%) failed to complete implementation by the required date however later confirmed that implementation had been completed.

Reasons for not meeting the implementation deadline

The three Code subscribers who did not complete implementation of paragraph 43 by 1 July 2021 provided the following reasons:

- delays in obtaining the necessary approvals and had website publication delays.

- delay due to misunderstanding of the Code obligation. This related to implementation of paragraph 43. The Code subscriber had assumed that implementing ASIC’s requirements in relation to Target Market Determinations (TMDs) would also meet the Code requirement.
- misunderstanding of the Code obligation - One Code subscriber advised the Committee that it did not believe it was required to comply with paragraph 43 as it is not a direct to market insurance provider (and TMD’s for all its products are available via its intermediaries).

The first two Code subscribers ensured they had completed implementation by the time they responded to this inquiry and the third completed implementation in April 2022. All 14 participating Code subscribers have now completed implementation.

The Committee acknowledges some Code subscribers may not sell insurance products direct to market and may sell some products through distributors. While it is less likely consumers will access the Code subscriber’s website for product information, the Committee still expects all Code subscribers to publish this information as required by the Code.

Accessibility observations

Our accessibility findings in relation to paragraph 43 is summarised below. The numbers in each box indicates the number of subscribers in each rating category. One Code subscriber was not able to respond to this question in the questionnaire as the information relevant to paragraph 43 was not available on their website. The Code subscriber has since confirmed that the relevant information has been published on their website in April 2022.

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy	Accessing the information or policy requires one click from the home page	Accessing the information or policy requires two clicks from the home page	Accessing the information or policy requires three or more clicks from the home page	No information or policy on website
2	2	6	3	

The requirement under paragraph 43 of the 2020 Code was the most accessible public-facing obligation.

The requirement to publish product development and distribution policies aligns with the legislative obligation to publish TMD’s by 5 October 2021:

- ASIC [RG 274](#) ‘Product design and distribution obligations’
- Target Market Determinations, [Part 7.8A, section 994B, Corporations Act 2001 \(Cth\)](#).

RG274.138 outlines that the TMD is not intended to be a consumer-facing disclosure document. This differs from paragraph 43 of the 2020 Code which is intended to be geared towards consumers.

Example of good practice

One Code subscriber noted that in addition to publishing the relevant policy on its website (as required by the Code), it has also published this within relevant forms available in hardcopy.

The Committee commends this. The Committee encourages all Code subscribers to go beyond minimum standards to make information more accessible, including in formats and in locations additional to those specified in the Code.

Paragraph 48

When you apply for or renew a home building insurance product, but not a strata insurance product, we will provide you with access to a calculator that is periodically reviewed and updated to enable you to estimate your sum insured.

Paragraph 48 falls under Part 6: Buying insurance. This part applies to Retail Insurance products only.

The purpose of a sum insured calculator for home building cover is to provide consumers with an estimate of the cost of rebuilding a home or replacing home contents items. This can assist to inform consumers as to whether they have an appropriate level of insurance coverage and to subsequently ensure they are not underinsured.

Results

The Committee found paragraph 48 had the highest implementation compliance rate from the participating Code subscribers. Nine of the 14 Code subscribers (64%) who participated in this inquiry offer home building insurance policies. All nine Code subscribers completed implementation of paragraph 48 by the required date.

The remaining five Code subscribers (36%) told the Committee they do not offer home building insurance and are therefore not required to comply with paragraph 48.

Accessibility observations

The requirement to publish a sum insured calculator under paragraph 48 of the 2020 Code was the least accessible public-facing obligation overall, with five of nine Code subscribers having the calculator accessible via three or four clicks from the website homepage (approximately 55%).

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy	Accessing the information or policy requires one click from the home page	Accessing the information or policy requires two clicks from the home page	Accessing the information or policy requires three or more clicks from the home page	No information or policy on website
	2	2	5	

Example of good practice

Two Code subscribers told the Committee that in addition to providing the calculator on their website, they also provide the calculator within renewal documents or within hardcopy documents referenced through a link.

Another Code subscriber advised the Committee that their consultants remind customers to check the sum insured is adequate via the calculator link it provides. During the sales quote process, an advisor is also required to refer the customer to the sum insured calculator.

The Committee commends Code subscribers who actively promote and make available the sum insured calculator in different places and encourages others to do this. Such efforts are consistent with recommendations previously made by ASIC that insurers do more to embed the use of online calculators for use by home insurance customers by embedding it into insurer sales practices and processes.⁶

Paragraph 105

We will have information about applying for Financial Hardship support on our website. The information will set out the types of support options that may be available, and how you can access Financial Hardship support.

Paragraphs 105 falls under Part 10: Financial Hardship. This part applies to Retail Insurance and Wholesale Insurance products only.

The 2020 Code defines Financial Hardship as a consumer having difficulty meeting their financial obligations to the organisation that has adopted the Code. The Code requires subscribers to provide publicly available information about Financial Hardship to help customers access support and services throughout the course of a claim (e.g. paying an excess) or when subject to recovery action. Financial Hardship is recognised as a type of vulnerability under paragraph 92(k) of the 2020 Code.

⁶ <https://asic.gov.au/about-asic/news-centre/find-a-media-release/2016-releases/16-053mr-asic-calls-for-further-improvements-from-home-insurers/>

Results

The Committee found 10 of the 14 Code subscribers (71%) who participated in this inquiry completed implementation of the requirements of paragraph 105 by the required date. The four Code subscribers (29%) who did not complete implementation by the required date, have now done so.

Reasons for not meeting the implementation deadline

Delays in meeting the deadline or achieving full implementation paragraph 105 by 5 October 2021 were due to:

- delays in obtaining the necessary approvals and website publication delays.
- one Code subscriber was waiting for confirmation from the Insurance Council of Australia (ICA) on the scope of paragraph 105.
- one Code subscriber partially complied. The Code subscriber did not include the types of Financial Hardship options as required by this paragraph. As a result of this implementation review, this has now been rectified.
- one Code subscriber indicated it did not publish the required information on its website because it provides low cost insurance products and has minimal instances of customers expressing they are experiencing financial hardship. This Code subscriber told us customer facing functions already had a documented process in place to identify and assist vulnerable customers, including those experiencing family violence and/or financial hardship. This Code subscriber has since enhanced its Family and Domestic Violence policy to comply with the Code and confirmed it was published on its website in April 2022.

The Committee acknowledges some Code subscribers may not sell insurance products direct to market and all products are sold through distributors. While it is less likely these consumers will access the Code subscriber's website for financial hardship support information, the Committee still expects all Code subscribers to publish this information and to meet their Code obligations.

The Committee understands that one Code subscriber was uncertain whether the requirement to publish a financial hardship policy applied to its Distributors and Service Suppliers. The public-facing obligations of the 2020 Code provide important support for people who may be experiencing vulnerability and the Committee sees great value in these policies being easily and readily accessible on the websites of Distributors and Service Suppliers.

Paragraph 17 of the 2020 Code says a Code subscriber will be in breach of the Code if its Distributors and Service Suppliers do not comply with the Code when they are acting on its behalf.

Accessibility observations

Our accessibility findings in relation to paragraph 105 is summarised below. One Code subscriber at the time of the questionnaire was not able to respond to this question as the information relevant to paragraph 105 was not available on their website. The Code subscriber has since confirmed that the relevant information has been published on their website in April 2022. The Committee is reviewing the Code subscriber's response and will determine next steps.

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy 1	Accessing the information or policy requires one click from the home page 3	Accessing the information or policy requires two clicks from the home page 6	Accessing the information or policy requires three or more clicks from the home page 3	No information or policy on website

Example of good practice

In addition to publishing information about applying for financial hardship on their website (as required by the Code), three Code subscribers told us they published this information in other ways. This includes within their product disclosure statements, a message in the claims Interactive Voice Response (IVR) to encourage customers to notify the insurer if they are experiencing financial difficulty and through a factsheet about financial hardship in standard letters to consumers.

The Committee supports actions by Code subscribers to promote the Code principles by making their services accessible and providing additional support. An important part of this obligation is assisting members of the community who need additional support.

Paragraph 140

We will make readily available information about:

- your right to make a Complaint;
- our internal processes for dealing with Complaints; and
- our external dispute resolution provider,

This will be published on our website, other digital platforms and in our relevant written communications.

Paragraph 140 falls under Part 11: Complaints. This part applies to Retail Insurance products only. In addition, it is available to an uninsured person making a claim against a customer who a Code subscriber insures against a Retail Insurance policy (see paragraph 60).

Part 11 also applies to Wholesale Insurance Products where an insured or third-party beneficiary is entitled to Financial Hardship support under paragraph 107(b).

The purpose of publishing information about consumers’ right to make a complaint is to ensure that consumers are provided with visible and transparent information about how and where to complain if they wish to raise a concern about a Code subscriber.

Results

The Committee found 13 of the 14 Code subscribers (93%) who participated in this inquiry completed implementation of the requirements of paragraph 140 by the required date. One Code subscriber (7%) failed to comply with paragraph 140 by the required date.

Reasons for not meeting the implementation deadline

The Code subscriber who had not complied by the required date advised the Committee that it had prioritised implementation of regulatory reforms that were due by 4 October 2021. It has since completed implementation of paragraph 140.

Accessibility observations

Our accessibility findings in relation to paragraph 140 is summarised below. At the time of the questionnaire, one Code subscriber was not able to respond to this question as the information relevant to paragraph 140 was not available on their website. The Code subscriber has since confirmed that this information has been published on their website. The Committee is reviewing the Code subscribers’ response and will determine next steps.

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy	Accessing the information or policy requires one click from the home page	Accessing the information or policy requires two clicks from the home page	Accessing the information or policy requires three or more clicks from the home page	No information or policy on website
2	5	3	3	

Example of good practice

Code subscribers gave us examples of the types of digital platforms where they publish the required information about complaints. These include their broker portal, their claims and customer portal and in their correspondence sent to customers via email.

The Committee commends subscribers on this and encourages them to continue to find new ways of informing consumers about their right to make a complaint as well as internal and external complaints processes.

Paragraph 186(a)

We will:

- a. provide information about the Code and the Code Governance Committee on our websites, in our product information and in other places we consider it appropriate to do so;

Paragraph 186(a) falls under Part 14: Promoting, reviewing and improving the Code. This part applies to Retail and Wholesale Insurance products.

Paragraph 186(a) requires Code subscribers to provide information about the Code and the Code Governance Committee on their website, in their product information and in other places the Code subscriber considers it appropriate to do so.

Information about the Code and the Code Governance Committee helps to ensure that consumers are aware of a subscriber's obligations to them under the Code and the role of the Code Governance Committee in monitoring subscriber compliance with the Code.

Results

The Committee found eight of the 14 Code subscribers (57%) who participated in this inquiry complied with the requirements of paragraph 186(a) by 1 July 2021. Six Code subscribers (43%) failed to complete implementation by the required date.

The Committee found implementation compliance rates were lowest for paragraph 186(a).

The Committee is disappointed three Code subscribers have not yet fully complied with paragraph 186(a).

Reasons for not meeting the implementation deadline

The six Code subscribers who had not fully completed implementation of paragraph 186(a) by 1 July 2021 gave the following reasons:

- Four subscribers partially complied with paragraph 186(a).
 - One Code subscriber uploaded the required information however its organisation’s website was updated, and the relevant information was not transferred over due to a system error.
 - One Code subscriber noted that a post implementation review revealed that some product disclosure documents did not include information about the Committee. It further noted that its wholesale policy wordings did not include information about the Code or the Committee.
 - The other two Code subscribers advised in their questionnaire response that they did not understand the scope of paragraph 186(a). In their follow up correspondence, they advised the Committee that the compliance gap was due to internal constraints in obtaining necessary approvals and oversights in management framework.
- One subscriber had previously advised the Committee it failed to comply with paragraph 186(a) by the required date due to internal constraints. The Committee has already determined this to be a Significant Breach of the subscriber’s Code obligations.
- Another Code subscriber outlined that it did not implement paragraph 186(a) as it is not a direct market insurance provider but offers all its general insurance products through intermediaries. This Code subscriber has since advised the Committee that it will provide us with an implementation timeframe as it is required to comply with paragraph 186(a).

Four out of these six Code subscribers noted that through the post-implementation review they undertook when responding to this inquiry they identified that they had partially complied with paragraph 186(a). This underscores the importance of subscribers conducting post implementation reviews.

Partial compliance with paragraph 186(a) suggests that Code subscribers should take greater care to ensure they fully understand the scope of the new Code obligation to reference the Committee as the 2014 Code only required Code subscribers to reference information about the Code.

Accessibility observations

Our accessibility findings in relation to paragraph 186(a) is summarised below. At the time of the questionnaire, one Code subscriber was not able to respond to this question as the information relevant to paragraph 186(a) was not available on their website. The Committee is reviewing the Code subscribers' response and will determine next steps.

Easy to find	Sound	Difficult	Meets minimum standard	Requirement not met
Front page, prominent display of information or policy 2	Accessing the information or policy requires one click from the home page 3	Accessing the information or policy requires two clicks from the home page 7	Accessing the information or policy requires three or more clicks from the home page 1	No information or policy on website

Appendix A: Questionnaire issued to Code subscribers on 10 November 2021

CODE SUBSCRIBER QUESTIONNAIRE

IMPORTANT NOTICE:

To ensure that you complete all parts of the Questionnaire, before you begin please read the following documents:

- **2. Public-facing obligations inquiry - Defined Terms and paragraphs 2020 Code FINAL, and**
- **3. Public-facing obligations Inquiry - Background and User Guide for Questionnaire FINAL.**

SECTION A: INFORMATION ABOUT THE CODE SUBSCRIBER

1. Select a category that best describes your organisation:

- a) General Insurer.
- b) Other participant that subscribes to the 2020 Code.

2. Select a category that best describes the type of general insurance that your organisation provides products and/or services in relation to:

- a) Retail Insurance.
- b) Wholesale Insurance.
- c) Retail Insurance and Wholesale Insurance.

SECTION B: PARAGRAPH 43

Paragraph 43: We will have a publicly available policy on our approach to the development and distribution of our products for appropriate target markets. This policy will be published on our website.

Section B1: Implementation of paragraph 43 by 1 July 2021

3. Did your organisation complete its implementation of paragraph 43 by 1 July 2021?
SELECT: YES/NO [IF YES, GO TO SECTION B2]

4. If your answer to Q3 is 'No', select an option that best describes why your organisation did not complete implementation of paragraph 43 by 1 July 2021:
- a) Did not know that the deadline was 1 July 2021.
 - b) Did not understand the scope of paragraph 43.
 - c) Poor planning of implementation project.
 - d) De-prioritisation of implementation of paragraph 43.
 - e) Unexpected constraints on resources.
 - f) Other reason. [TEXT BOX for response. [Up to 1800 characters including punctuation and spaces.]

5. If your organisation did not complete implementation of paragraph 43 by 1 July 2021, has it completed implementation now? SELECT: YES/NO

6. If your answer to Q5 is 'No', select an option that best describes the reason for the delay:
- a) Did not understand the scope of paragraph 43.
 - b) Poor planning of implementation project.
 - c) De-prioritisation of implementation of paragraph 43.
 - d) Unexpected constraints on resources.
 - e) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

Section B2: Demonstrate how your organisation complies with paragraph 43

7. Tell us how your organisation implemented paragraph 43. [TEXT BOX for response – up to 1800 characters including punctuation and spaces.]

8. Has your organisation published the information required by paragraph 43 on its website? SELECT: YES/NO

9. If your answer to Q8 is ‘Yes’, provide all links to the required information on your organisation’s website. [TEXT BOX for response – up to 1800 characters including punctuation and spaces.]

10. Has your organisation made the required information publicly available in other ways? SELECT: YES/NO

11. If your answer to Q10 is ‘Yes’, list the ways in which you have made the required information publicly available in other ways. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

Section B3: Accessibility of information required by paragraph 43

12. Is the required information accessible on the homepage on your organisation's website? SELECT: YES/NO

13. If your answer to Q12 is 'No', how many 'clicks' does a user need to make from the website's homepage to access the required information?

- a) 1.
- b) 2.
- c) 3.
- d) 4 or more.

Section B4: Post-implementation review of paragraph 43

14. Is your organisation tracking the website analytics for the relevant webpage(s) including the number of unique visitors? SELECT: YES/NO

15. Has your organisation conducted, or is it intending to conduct, a post-implementation review of its arrangements to comply with paragraph 43? SELECT: YES/NO/UNDECIDED

SECTION C: PARAGRAPH 48

Paragraph 48: When you apply for or renew a home building insurance product, but not a strata insurance product, we will provide you with access to a calculator that is periodically reviewed and updated to enable you to estimate your sum insured.

Section C1: Implementation of paragraph 48 by 1 July 2021

16. Did your organisation complete its implementation of paragraph 48 by 1 July 2021?
SELECT: YES/NO [IF YES, GO TO SECTION C2]

17. If your answer to Q16 is 'No', select an option that best describes why your organisation did not complete implementation of paragraph 48 by 1 July 2021:

- a) Did not know that the deadline was 1 July 2021.
- b) Did not understand the scope of paragraph 48.
- c) Poor planning of paragraph 48 implementation project.
- d) De-prioritisation of implementation of paragraph 48.
- e) Unexpected constraints on resources.
- f) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

18. If your organisation did not complete implementation of paragraph 48 by 1 July 2021, has it completed implementation now? SELECT: YES/NO

19. If your answer to Q18 is 'No', select an option that best describes the reason for the delay:

- a) Did not understand the scope of paragraph 48.
- b) Poor planning of implementation project.
- c) De-prioritisation of implementation of paragraph 48.
- d) Unexpected constraints on resources.
- e) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

Section C2: Demonstrate how your organisation complies with paragraph 48

20. Tell us how your organisation implemented paragraph 48. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

21. Is the calculator on your organisation's website? SELECT: YES/NO

22. If your answer to Q21 is 'Yes', provide all links to the calculator. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

23. Has your organisation made the calculator publicly available in other ways? SELECT: YES/NO

24. If your answer to Q23 is 'Yes', list the ways in which you have made the calculator publicly available in other ways. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

Section C3: Accessibility of information required by paragraph 48

25. Is the calculator accessible on the homepage of your organisation's website?
SELECT: YES/NO

26. If your answer to Q25 is 'No', how many 'clicks' does a user need to navigate from the website's homepage to the calculator?

- a) 1
- b) 2
- c) 3
- d) 4 or more

Section C4: Post-implementation review of paragraph 48

27. If the calculator is on your organisation's website, is your organisation tracking the website analytics for the relevant webpage(s) including the number of unique visitors? SELECT: YES/NO

28. Has your organisation conducted, or is it intending to conduct, a post-implementation review of its arrangements to comply with paragraph 48? SELECT: YES/NO/UNDECIDED

SECTION D: PARAGRAPH 105

Paragraph 105: We will have information about applying for Financial Hardship support on our website. The information will set out the types of support options that may be available, and how you can access Financial Hardship support.

Section D1: Implementation of paragraph 105 by 5 October 2021

29. Did your organisation complete its implementation of paragraph 105 by 5 October 2021? SELECT: YES/NO [IF YES, GO TO SECTION D2]

30. If your answer to Q29 is 'No', select an option that best describes why your organisation did not complete implementation of paragraph 105 by 5 October 2021:

- a) Did not know that the deadline was 5 October 2021.
- b) Did not understand the scope of paragraph 105.
- c) Poor planning of implementation project.
- d) De-prioritisation of implementation of paragraph 105.
- e) Unexpected constraints on resources.
- f) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

31. If your organisation did not complete implementation of paragraph 105 by 5 October 2021, has it completed implementation now? SELECT: YES/NO

32. If your answer to Q31 is 'No', select an option that best describes the reason for the delay:

- a) Did not understand the scope of paragraph 105.
- b) Poor planning of implementation project.
- c) De-prioritisation of implementation of paragraph 105.

- d) Unexpected constraints on resources.
- e) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

Section D2: Demonstrate how your organisation complies with paragraph 105

33. Tell us how your organisation implemented paragraph 105. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

34. Has your organisation published the information required by paragraph 105 on its website? SELECT: YES/NO

35. If your answer to Q34 is 'Yes', provide all links to the required information on your organisation's website. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

36. Has your organisation made the required information publicly available in other ways? SELECT: YES/NO

37. If your answer to Q36 is 'Yes', list the ways in which you have made the required information publicly available in other ways. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

Section D3: Accessibility of information required by paragraph 105

38. Is the required information accessible on the homepage on your organisation's website? SELECT: YES/NO

39. If your answer to Q38 is 'No', how many 'clicks' does a user need to navigate from the website's homepage to the required information?

- a) 1.
- b) 2.
- c) 3.
- d) 4 or more.

Section D4: Post-implementation review of paragraph 105

40. Is your organisation tracking the website analytics for the relevant webpage(s) including the number of unique visitors? SELECT: YES/NO

41. Has your organisation conducted, or is it intending to conduct, a post-implementation review of its arrangements to comply with paragraph 105? SELECT: YES/NO/UNDECIDED

SECTION E: PARAGRAPH 140

We will make readily available information about:

- a. your right to make a Complaint;*
- b. our internal processes for dealing with Complaints; and*
- c. our external dispute resolution provider.*

This will be published on our website, other digital platforms and in our relevant written communications.

Section E1: Implementation of paragraph 140

- 42.** Did your organisation complete its implementation of Paragraph 140 by 1 July 2021?
SELECT: YES/NO [IF YES, GO TO SECTION E2]

- 43.** If your answer to Q42 is 'No', select an option that best describes why your organisation did not complete implementation of paragraph 140 by 1 July 2021:

- a) Did not know that the deadline was 1 July 2021.
- b) Did not understand the scope of paragraph 140.
- c) Poor planning of implementation project.
- d) De-prioritisation of implementation of paragraph 140.
- e) Unexpected constraints on resources.
- f) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

- 44.** If your organisation did not complete implementation of paragraph 140 by 1 July 2021, has it completed implementation now? SELECT: YES/NO

45. If your answer to Q44 is 'No', select an option that best describes the reason for the delay:

- a) Did not understand the scope of paragraph 140.
- b) Poor planning of implementation project.
- c) De-prioritisation of implementation of paragraph 140.
- d) Unexpected constraints on resources.
- e) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

Section E2: Demonstrate how your organisation complies with paragraph 140

46. Tell us how your organisation implemented paragraph 140. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

47. Has your organisation published the information required by paragraph 140 on its website? SELECT: YES/NO

48. If your answer to Q47 is 'Yes', provide all links to the required information on your organisation's website. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

49. Has your organisation published the required information on any other digital platforms? SELECT: YES/NO

50. If your answer to Q49 is 'Yes', list each type of digital platform. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

51. Has your organisation published the required information in your organisation's relevant written communications? SELECT: YES/NO

52. If your answer to Q51 is 'Yes', list the types of relevant written communications. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

53. Has your organisation made the required information publicly available in other ways? SELECT: YES/NO

54. If your answer to Q53 is 'Yes', list the ways in which you have made the required information publicly available in other ways. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

Section E3: Accessibility of information required by paragraph 140

55. Is the required information accessible on the homepage on your organisation's website? SELECT: YES/NO

56. If your answer to Q55 is 'No', how many 'clicks' does a user need to navigate from the website's homepage to the required information?

- a) 1.
- b) 2.
- c) 3.
- d) 4 or more.

Section E4: Post-implementation review of paragraph 140

57. Is your organisation tracking the website analytics for the relevant webpage(s) including the number of unique visitors? SELECT: YES/NO

58. Has your organisation conducted, or is it intending to conduct, a post-implementation review of its arrangements to comply with paragraph 140? SELECT: YES/NO/UNDECIDED

SECTION F: Paragraph 186(a)

We will:

a. provide information about the Code and the Code Governance Committee on our websites, in our product information and in other places we consider it appropriate to do so;

Section F1: Implementation of paragraph 186(a) by 1 July 2021

59. Did your organisation complete its implementation of paragraph 186(a) by 1 July 2021? SELECT: YES/NO [IF YES, GO TO SECTION F2]

60. If your answer to Q59 is 'No', select an option that best describes why your organisation did not complete implementation of paragraph 186(a) by 1 July 2021:

- a) Did not know that the deadline was 1 July 2021.
- b) Did not understand the scope of paragraph 186(a).
- c) Poor planning of implementation project.
- d) De-prioritisation of implementation of paragraph 186(a).
- e) Unexpected constraints on resources.
- f) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

61. If your organisation did not complete implementation of paragraph 186(a) by 1 July 2021, has it completed implementation now? SELECT: YES/NO

62. If your answer to Q61 is 'No', select an option that best describes the reason for the delay:

- a) Did not understand the scope of paragraph 186(a).
- b) Poor planning of implementation project.
- c) De-prioritisation of implementation of paragraph 186(a).

- d) Unexpected constraints on resources.
- e) Other reason. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

Section F2: Demonstrate how your organisation complies with paragraph 186(a)

63. Tell us how your organisation implemented paragraph 186(a). [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

64. Has your organisation published the information required by paragraph 186(a) on its website? SELECT: YES/NO

65. If your answer to Q64 is 'Yes', provide all links to the required information on your organisation's website. [TEXT BOX for response. Up to 1800 characters including punctuation and spaces.]

66. Has your organisation published the required information in your product information? SELECT: YES/NO

67. Has your organisation made the required information publicly available in other ways? SELECT: YES/NO

68. If your answer to Q67 is 'Yes', list the ways in which you have made the required information publicly available in other ways. [TEXT BOX for response. Each item separated by a comma. Up to 1800 characters including punctuation and spaces.]

Section F3: Accessibility of information required by paragraph 186(a)

69. Is the required information accessible on the homepage on your organisation's website? SELECT: YES/NO

70. If your answer to Q69 is 'No', how many 'clicks' does a user need to navigate from the website's homepage to the required information?

- a) 1.
- b) 2.
- c) 3.
- d) 4 or more.

Section F3: Post-implementation review of paragraph 186(a)

71. Is your organisation tracking the website analytics for the relevant webpage(s) including the number of unique visitors? SELECT: YES/NO

72. Has your organisation conducted, or is it intending to conduct, a post-implementation review of its arrangements to comply with paragraph 186(a)? SELECT:
YES/NO/UNDECIDED

About the General Insurance Code Governance Committee

The 2020 Code is a voluntary industry code that promotes high standards of service and better customer relationships in the general insurance industry. The Committee is the independent body responsible for monitoring and enforcing Code subscribers' compliance with the Code standards. See www.insurancecode.org.au

Contact the Code Governance Committee

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