

6 February 2025

General Insurance Code Governance Committee

Email: [info@codecompliance.org.au](mailto:info@codecompliance.org.au)

## RE: Monitoring Priorities Consultation Paper

Dear Madam/Sir

In respect of your Monitoring Priorities Consultation paper November 2024, 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. AiBEC formed an Allied Supporter Advisory Committee (ASAC) to consider challenges we see and how the Code Governance Committee (CGC) can drive best practice to achieve more optimal claims outcomes for the benefit of all parties. ASAC is of the view that some of the shortcomings in claims stem from inadequate initial instructions from insurers and that improvements in this area will lead to more satisfactory claim settlements.

We wish to submit the following recommendation for the Code Governance Committee to consider.

### RECOMMENDATION

That the CGC ask the Insurance Council of Australia to establish a Best Practice for Engagement of Experts (BPÉE) and to liaise with AiBEC and industry to develop such a standard.

### FACTORS TO BE CONSIDERED IN BPÉE

1. Minimum initial instruction requirements to be provided to experts by Insurers. Templates for insurers to use when allocating experts to provide prompts for minimum information requirements to experts.
2. Assessment report, Causation report and scope of works templates to guide experts in the minimum regulatory requirements.
3. Expectations of expert Assessment/causation report content, e.g. clear explanation of cause and damage. Any topics typically required by AFCA when considering outcomes should be included, such as “in the expert’s professional opinion, when considering the event/cause, would similar

damage have occurred to the property in the absence of issues such as wear and tear, maintenance issues etc?

4. Customer expectations regarding the expert engaged and the type of reporting they typically undertake – i.e. material for consumption by the customer which provides them with an understanding of what to expect.
5. Requirement for Insurers to provide information to the customer when allocating an expert to ensure the customer understands the reason they are being allocated.
6. Requirement for the expert to provide information to the customer on the reason for their attendance and what to expect from it. For example, collection of information relating to instructions provided by insurer, report based on information collected on site, distribution of report back to insurer and insurer to make any decisions relating to the customer outcomes.
7. Where possible, the claim to be triaged by the expert (builder, estimator, adjuster etc) when initial call made to the client, prior to attendance, to identify when additional experts may be required (leak location, roof reports, flooring reports etc).
8. Pre-authorisation for specialists to be part of 'standard' instructions – e.g. leak detection if required, bushfire requirements, roof reports etc, where the inclusion of that pre-authorised reporting is critical to providing an accurate and complete report.
9. Introduction of avenues for Experts to be able to feedback issues or concerns to insurers, such as shortcomings in initial instructions or appropriateness of the expert relating to the subject they have been engaged to report on.
10. Insurers to provide information to customers on the independence of the allocated expert and their role in the customers claims process.
11. Experts to reinforce, where possible, the impartiality or independence of the individual and/or business from insurers who engage them, in the form of an attestation contained within each report. Include professional standards/codes of conduct etc where applicable to reinforce the position.
12. Experts attending site to provide the customer with an explanation of the reason for their site attendance, along with their qualifications and what to expect after their attendance. This would include: who I am, what my qualifications are and what I'm here to do, to enable customers to understand the role of the attending expert.
13. Instructions provided to experts by insurers should be included in the expert's report. Any information provided by the Insurer or their representative that is not appropriate for inclusion in the expert's report, should be highlighted by the insurer for exclusion from the report.
14. Information/reports obtained by insurers through prior interactions, that are relevant to the expert reporting, should be provided to them where it is clear that the outcome for the customer will not be prejudiced.
15. Vulnerable Customers – Insurers should provide critical information relating to customers experiencing vulnerability, to enable appropriate considerations and arrangements to best suit the customer needs. Any information gathered by Experts indicating potential customer vulnerability, should be provided to Insurers via a documented process to ensure timely attention and action.

16. Expert safety – Where identified, concerns relating to the customer and/or the site situation, that pose a risk to the personal safety of an Expert, should be relayed to the Expert, by the Insurer, as soon as possible to ensure adequate provisions can be made to address those concerns.

Concerns may include :

- Hazardous materials (chemicals, asbestos etc), structural failure, electrical etc  
or
- Behaviour identified with the customer, their representative or any other person where interactions on site are likely to occur, has indicated the need for caution.

## 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 step in such an objective.

Should you require further information or elaboration please contact, in the first instance, our CEO Tony Libke at [admin@aibec.co](mailto:admin@aibec.co).

Yours sincerely

Grant Knott - Chair AiBEC – Allied Supporter Advisory Committee

## AiBEC Allied Supporter Advisory Committee

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