



Australian Government

AURVNA4004 Apply insurance industry knowledge to vehicle loss assessment

Release 2

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Modification History

Release	Comment
Release 2	Replaces AURVNA4004 Apply insurance industry knowledge to vehicle loss assessment (Release 1) Reference to OHS legislation replaced with new WHS legislation

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes required to apply insurance industry knowledge to vehicle loss assessment. It involves using insurance industry terminology and trends; and applying policy, Acts and regulations to ensure the correct conduct of a vehicle loss assessment.</p> <p>Licensing, legislative, regulatory or certification requirements may apply to this unit in some jurisdictions. Users are advised to check with their relevant regulatory authority.</p>
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Application of the Unit

Application of the unit	<p>Work involves applying insurance industry knowledge to a vehicle loss assessment in the loss assessment environment. Loss assessment may relate to light vehicles, commercial vehicles, heavy vehicles, agricultural and plant equipment, recreational vehicles and motorcycles.</p>
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Licensing/Regulatory Information

Refer to Unit Descriptor.

Pre-Requisites

Not applicable.

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Develop and apply an understanding of the insurance industry	1.1.Sources of information on the structure and functions of the insurance industry are identified and accessed according to workplace policies and procedures 1.2.Broad structures of the insurance industry and their relationship with each other are identified and appropriately applied to day-to-day work 1.3.Insurance industry terminology and vocabulary are used in the correct context 1.4. Trends and technology in the insurance industry are monitored on an ongoing basis to inform personal work practices 1.5.Insurance organisation-specific policies, procedures and processes are identified, clarified where necessary, and applied
2. Develop and apply an understanding of government Acts and regulations relevant to the insurance industry	2.1.Statutory insurance industry principles, obligations and compliance requirements of a loss assessor are determined and complied with 2.2. Reporting requirements and procedures are identified 2.3.Requirements under privacy law are identified, clarified where necessary, and complied with
3. Develop and apply an understanding of loss assessment processes	3.1.Knowledge of loss assessment processes, procedures and policy is applied 3.2. Condition of vehicle compared to incident description is analysed to determine incident-related damage 3.3.Statutory insurance industry principles, obligations and compliance requirements, and their relationship to identified vehicle damage are interpreted, clarified where necessary, and applied 3.4.Automotive industry technical knowledge and experience are applied to determine accuracy of vehicle damage estimate to return the vehicle to pre-damage condition that conforms to manufacturer guidelines and industry standards

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- technical skills to compare condition of vehicle to incident description and analyse outcomes to determine incident-related damage
- communication skills to:
 - use insurance industry terminology and vocabulary
 - engage with repairers and specialist providers
- literacy skills to:
 - apply loss assessment processes, procedures and policies
 - interpret and apply statutory insurance industry principles, obligations and compliance requirements
 - use common industry terminology
 - understand broad insurance industry structure, functions and relationships
 - apply organisation-specific policies, procedures and processes
 - write reports and fill out templates and proformas
- numeracy skills to:
 - interpret technical measurements
 - determine accuracy of vehicle damage estimate
- problem-solving skills to clarify policy and privacy law discrepancies
- technology skills to use communication devices and computerised equipment to access insurance industry information

Required knowledge

- technical knowledge of motor vehicle mechanical, electrical, surface and structural:
 - damage and faults
 - dismantling and repair methods
- methods of sourcing current retail costs of vehicles and vehicle components and materials
- vehicle inspection and damage assessment procedures and methodologies, including repair set-ups and dismantling procedures
- current assessing and quoting methodologies
- relevant automotive websites to locate current best practice and future trends information
- general insurance industry knowledge, including relevant sections of:
 - Competition and Consumer Act
 - contract and insurance law
 - copyright law
 - Insurance Contracts Act
 - intellectual property
 - Motor Vehicle Insurance and Repair Industry Code of Conduct
 - personal legal liability
 - privacy law
 - State or Territory Fair Trading Act
- methods of sourcing manufacturer and component supplier specifications, including workshop manuals and repair guides
- applicable commonwealth, state or territory laws, regulations and standards relating to vehicle loss assessment, including:
 - environmental regulations
 - legislation
 - Workplace Health and Safety (WHS) Act
- workplace processes, policies and procedures relating to vehicle loss assessment and reporting requirements

Evidence Guide

Evidence Guide	
The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>The evidence required to demonstrate competency in this unit must be relevant to workplace operations and satisfy all of the requirements of the performance criteria and required skills and knowledge.</p> <p>A person who demonstrates competency in this unit must be able to:</p> <ul style="list-style-type: none"> • use insurance industry terminology and vocabulary in the correct context • understand and comply with insurance industry principles, obligations and compliance requirements • identify relevant reporting requirements • apply loss assessment processes, procedures and policies • determine incident-related damage • write reports, including vehicle assessment reports and Written-Off Vehicles Register (WOVR) • determine accuracy of vehicle damage estimate.
Context of, and specific resources for assessment	<p>Competency is to be assessed in the workplace or a simulated workplace environment that accurately reflects performance in a real workplace setting.</p> <p>Assessment is to occur:</p> <ul style="list-style-type: none"> • using standard workplace practices and procedures • following safety requirements • applying environmental constraints. <p>Assessment is to comply with relevant:</p> <ul style="list-style-type: none"> • regulatory requirements • Australian standards • industry codes of practice. <p>The following resources must be made available for the assessment of this unit:</p> <ul style="list-style-type: none"> • a range of motor vehicles with both minor and extensive damage • relevant documentation, including manufacturer

Evidence Guide	
	<p>specifications and costs, workshop and body repair manuals, estimate documentation, incident description and repair order</p> <ul style="list-style-type: none"> • relevant information (e.g. staff numbers and availability, cost parameters, and external contractor information) • relevant tools and equipment • repair job details • Repair Times manuals.
Method of assessment	<p>Assessment must satisfy the endorsed Assessment Guidelines of this Training Package.</p> <p>Assessment methods must confirm consistency and accuracy of performance (over time and in a range of workplace relevant contexts) together with the application of required skills and knowledge.</p> <p>Assessment methods must be by direct observation of tasks and include questioning on required skills and knowledge to ensure correct interpretation and application.</p> <p>Competence in this unit may be assessed in conjunction with other units which together form part of a holistic work role.</p> <p>Where applicable, reasonable adjustment must be made to work environments and training situations to accommodate the needs of diverse clients.</p> <p>Assessment processes and techniques must be culturally sensitive and appropriate to the language, literacy and numeracy capacity of the candidate and the work being performed.</p>

Range Statement

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Terminology and

vocabulary must include:

- agreed value
- assessments
- certificates of insurance
- claims
- depreciation
- excess
- indemnity
- market value
- misrepresentation
- mitigation
- no claim:
 - bonus
 - discount
 - rating
- non-disclosure
- policy book
- pool of funds
- premium
- pre-accident condition
- product disclosure statement (PDS)
- reinsurance
- renewals
- subrogation
- underwriting
- unreasonable or capricious grounds.

Trends and technology

may include:

- digital imaging
- electronic-based researching and reporting
- laptop
- mobile phone
- tablet.

Range Statement	
<i>Principles, obligations and compliance requirements</i> must include:	<ul style="list-style-type: none"> • Australian Prudential Regulatory Authority (APRA) regulations • Financial Services Reform (FSR) Act • General Insurance Code of Practice • Insurance Contracts Act, including: <ul style="list-style-type: none"> • duty of disclosure • utmost good faith • intellectual property principles and practice • Motor Vehicle Insurance and Repair Industry Code of Conduct • Competition and Consumer Act • copyright law • privacy law • commonwealth, state or territory regulatory requirements • statutory changes to the criteria of the national WOVN.
<i>Reporting requirements</i> may include:	<ul style="list-style-type: none"> • WOVN • state or territory statutory requirements and reporting documentation.
<i>Loss assessment processes, procedures and policy</i> may include:	<ul style="list-style-type: none"> • filling out and submitting a template or proforma: <ul style="list-style-type: none"> • assessment report • WOVN • writing and submitting: <ul style="list-style-type: none"> • assessment report • fraud indicator report • PDS • vehicle condition report • WOVN.
<i>Condition of vehicle</i> may include:	<ul style="list-style-type: none"> • damage while parked • direction of impact (DOI) appropriate to incident description • old and inconsistent damage • potential for roadworthiness • pre-accident condition and potential contributing factors • registration • transfer damage • vehicle identification number (VIN).

Unit Sector(s)

Competency field	Vehicle Body
Sector	Loss Assessment or Repair Quoting

Custom Content Section

Not applicable.