

## The complaint

Mr H is unhappy that QIC Europe Limited (QIC) has recorded an incident as a claim under his home insurance policy.

QIC are the underwriters of this policy. Part of this complaint concerns the actions of its agents. QIC is accountable for the actions of its agents, so in my decision any reference to QIC includes its agents.

## What happened

In November 2020 Mr H noticed water streaming down a bedroom wall following a storm. After taking advice from a local builder, he contacted QIC and said that he thought water was entering his property from around the chimney area of the roof. QIC agreed that there were storm conditions and sent out a surveyor to assess the damage. The surveyor concluded that the storm was not the cause of damage and that this was due to deterioration of a previous repair around the chimney. QIC declined the claim.

When renewing his policy Mr H noticed that a claim had been recorded against his name. He queried this with QIC and was advised that this related to the incident in November 2020. He complained to QIC and said that he didn't make a claim under his policy, but simply asked QIC whether he could make a claim. He asked that QIC remove any record of the claim.

QIC said that the incident had been correctly logged. It said Mr H had agreed to the surveyor attending and that it had properly advised him that he was making a claim.

Mr H didn't agree and brought his complaint to this service. He said that during the initial call to QIC he had trouble hearing what the call handler was saying due to a poor connection. He says he would never have agreed to the surveyor attending had he known that it would be logged as a claim. Our investigator didn't uphold the complaint as she thought that QIC had acted fairly by registering the incident as a claim. Mr H asked for an ombudsman's decision.

## My provisional decision

On 27 July 2023 I made a provisional decision. I said:

*"QIC has provided a recording of the telephone conversation between Mr H and QIC which forms the basis of this complaint. Mr H says that it's not fair to rely on this as he couldn't hear the call handler clearly throughout the call and doesn't think the recording accurately reflects what he hears.*

*I've listened to the call and thought carefully about what Mr H has said. I accept that he says at one point that he's struggling to hear – and asks if the call handler is still there. However, the call handler repeats the information she provided, and Mr H says that he understands. If he hadn't heard, he could have queried this again. I think the conversation flows and makes sense and I don't get the impression that Mr H is not hearing what is being asked of him. His replies all seem appropriate to the questions asked.*

*So, I've gone on to consider the contents of the conversation. At the beginning of the call Mr H says that he wants to know if the damage is something that's claimable or not. I think it's clear that he's asking QIC for advice on this – and not necessarily wanting to make a claim.*

*The call handler advises Mr H to get some temporary repairs and says that if he does want to claim he should get a report and quote from his roofer. QIC says that Mr H is then advised what will happen if he proceeds with the claim – that it will be logged against his policy and could affect his future premium. I agree that this is what is said, but at this stage Mr H hasn't said he wants to claim, and the call handler is simply advising what will happen if he does.*

*The call handler then asks Mr H if he'd like to proceed with the claim and Mr H says yes. However, he then immediately says "So sorry when you say proceed with the claim does someone need to come and assess it to say that it's claimable first". The call handler replies "Yes so what we'd do is send a surveyor.... who'll use special equipment to have a look at your roof. He'll look at your roofer's report and if he's happy with what he sees and the plan for the permanent repair and how much that'll cost then he'll say yes I'm happy with everything I've seen there's a valid claim – we'll continue further for you. Ok?" Mr H replies that he'd like to go ahead with that.*

*I don't think from this conversation that QIC made it clear to Mr H that sending out a surveyor will be treated as a claim. I appreciate that an insurer wouldn't normally send out a surveyor to advise a policyholder if damage is claimable – but I don't think this was explained to Mr H and I don't think it reasonable to assume that Mr H would know this.*

*Mr H was advised in two separate emails from QIC that the call handler read out a statement saying "Going beyond this point, will result in logging a claim and may have the potential to affect the future premiums. If you proceed past that point, then it becomes a claim registered, we also cannot provide information on if it is a coverable event in these situations at the notification stage, as we do not know the outcome until a surveyor has been out." Mr H says this wasn't read out and had it been, he wouldn't have agreed to the surveyor attending.*

*I don't think there's any dispute now that the statement wasn't read out in its entirety. QIC says that whilst the statement may be considered mandatory it doesn't expect its advisers to read it word for word. I understand this but I don't think the relevant information was given to Mr H. He wasn't told that QIC couldn't tell him if his damage was coverable until after the surveyor attended - or that if he proceeds past this point a claim will be registered.*

*Bearing all the above in mind, I don't think QIC treated Mr H fairly. I intend to uphold this complaint and require QIC to remove any record of a claim on both internal and external databases. If Mr H has paid more for his insurance due to the incident being recorded as a claim, then QIC should refund this to him with interest at 8% from the date of payment to the date any monies are returned to him.*

*Mr H should be aware, however, that most insurers will record information about all incidents, including those that don't proceed to a claim. These are usually recorded as notifications only - and can still affect the cost of insurance premiums."*

## **Response to my provisional decision**

Mr H accepted my provisional decision. QIC didn't and raised a number of points.

It said that whilst some parts of the telephone conversation had a poor connection, these were not during the relevant discussion of the complaint. Mr H was advised during the call what would happen if he proceeded with the claim – and that the call handler would have

assumed at that point that Mr H did wish to claim and so proceeded to the next stage. QIC point out that Mr H said he wanted to proceed when asked and that he was aware a claim was being made and that it could affect his future premiums. It accepts he then questions this but says that it's clear from listening to the telephone recording that Mr H was given all the relevant information.

QIC suggest that the call recording should be listened to independently of what either party states they were, or weren't, aware of.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I would like to reassure QIC that I've listened very carefully to the call recording a number of times and noted what was actually said and the way it was said by both the call handler and Mr H. My role is to independently assess all the evidence. I've not approached this case from any particular viewpoint – but have made my decision based on the evidence and what I think is fair and reasonable in the particular circumstances of this case.

I've already dealt with most of the points raised by QIC in my provisional decision, so I haven't gone over them at length here. I agree that the poor connection didn't appear to unduly affect Mr H's understanding of what was being said to him – and I said this in my provisional decision. I also accepted that Mr H was advised that if he proceeded with a claim, it will be recorded against his policy and could affect his future premiums. QIC have gone on to say that the call handler could assume after this conversation that Mr H wanted to make a claim, but I don't agree. Mr H hadn't said that he wanted to claim – and I don't think it fair to assume that he did.

At the point of the conversation where Mr H says he'd like to proceed, he immediately qualifies his reply as noted above. I don't think the call handler's response made it clear to Mr H that he was actually making a claim. He wasn't advised that going past this point would be logged as a claim. Nor was he told that he couldn't be advised at this stage whether the claim would be coverable. I think this is important as this is what Mr H said he wanted. At no point was he told that, despite it being part of the script that call handlers are encouraged to read out.

Having considered all the evidence, I think Mr H was left with the impression that he wasn't making a claim unless the surveyor accepted the damage was covered by the policy. I don't think QIC made its position clear. But would it have made a difference if it had? Mr H says it would and that he wouldn't have gone ahead if he'd known he was making a claim. I've considered this point carefully. I'm satisfied that Mr H made it clear during the call that he didn't want to make a claim yet. He said from the outset that he was looking for advice about whether he could claim. He repeated this during the call. He'd already had builders round to assess the damage and been told there was a leak around the chimney. He didn't need the surveyor to tell him what the problem was - he wanted to know if it was something he could claim for. On balance I think it unlikely that Mr H would have gone ahead with the surveyor's visit had he known he was logging a claim.

Having considered everything that's been said I haven't seen anything new that makes me change my mind. I don't think QIC treated Mr H fairly and I uphold this complaint for the reasons given above and in my provisional decision.

## **My final decision**

My final decision is that I uphold this complaint and require QIC Europe Ltd to:

- remove any record of a claim being made from internal and external databases;
- refund to Mr H any increase he has paid in his insurance premium as a result of the incident being recorded as a claim - upon production of evidence from Mr H if required; and
- pay interest at 8% on the above from the date Mr H made payment to the date QIC refund any sums to him.

If QIC considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr H how much it's taken off. It should also give Mr H a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 October 2023.

Elizabeth Middleton  
**Ombudsman**