

The complaint

Mr B has complained that U K Insurance Limited (UKI) unfairly recorded him as having made a claim under his home insurance policy and he was paying a higher premium as a result.

What happened

In August 2023 Mr B contacted UKI as he thought he had a leak in his conservatory roof which had caused internal damage.

UKI appointed a supplier to assess the damage. After receiving its supplier's report, UKI said it wasn't liable for the roof repair as it thought the damage was due to wear and tear which wasn't covered by his policy. It said it would cover the internal damage.

Mr B decided to put a new roof on the conservatory and his contractor agreed to do the internal repairs as part of the same job. Mr B told UKI that he no longer needed to make a claim. UKI said that a claim had been recorded and couldn't be removed. Mr B didn't think this was fair as no money had been paid to him. He also was unhappy that his premium increased significantly on renewal. Mr B is a vulnerable customer with a disability. He felt UKI had been rather dismissive of his concerns. He wanted UKI to remove the claim from his policy, refund the difference between the premium he'd paid and the premium he would have paid if a claim hadn't been recorded on his policy and an explanation why it hadn't made accommodation for him as a vulnerable customer.

UKI explained that because an investigation had been carried out by its supplier and it had paid its supplier for that, a claim had been recorded on Mr B's policy. It said it couldn't tell him why his premium had increased as that was commercially sensitive information but insurance costs had also increased generally. It had offered Mr B a discount on his renewal. It said it had noted that Mr B was a vulnerable customer with a medical condition.

Mr B brought his complaint to this service. Our Investigator didn't recommend it be upheld. He didn't think UKI had treated Mr B unfairly.

As Mr B didn't agree, the matter has been referred to me.

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 can understand Mr B's frustration that although he had paid for all the repairs himself he was still recorded as having made a claim under his policy.

However Mr B notified UKI that an insured event had taken place -namely accidental damage. UKI incurred a cost by having its supplier investigate the damage. So this was a cost associated with the claim even though nothing was paid to Mr B. I can see that UKI recorded a cost of £148 on the Claims and Underwriting Exchange (CUE) database in respect of the claim. It says this reflects the cost of its supplier attending Mr B's property to

assess the damage. I'm satisfied that it was reasonable for this cost to be included on CUE. I say this because CUE's best practice guide for insurers encourages such an approach. I can't require UKI to remove it as it has a duty to keep accurate claim records.

UKI has told us that one recorded claim won't normally affect the renewal premium. But even if it did, as I don't think the claim record was incorrect, it follows UKI could take it into account if that's what its underwriting criteria required. I note that UKI did give Mr B a discount on his renewal premium which it was not obliged to do. So, I'm not persuaded that it treated him unfairly in respect of the premium.

During the course of 2023 Mr B was suffering from significant health issues and had a serious operation. He says that he struggled to communicate with UKI at times and feels UKI disregarded this. He doesn't think the claims team took into account the fact that he was a vulnerable customer with a disability. He was asked to arrange quotes for the repair work even though UKI was aware this was difficult for him to do.

In summary Mr B has complained that UKI has failed to make reasonable adjustments for him. In other words, it has failed its duty to make reasonable adjustments under the Equality Act 2010. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr B wants a decision as to whether UKI has breached the Equality Act 2010, then he'd need to go to Court.

It's clear to me from UKI's claim notes that it was aware that Mr B was a vulnerable customer from an early point in the claim. It appears from those notes that Mr B's vulnerability was a factor in it agreeing to cover the internal damage to his property which might otherwise have been declined on the ground that it happened gradually. Because of a concern about black mould developing in the damp property, it suggested that it would be quicker if Mr B arranged the repairs himself and sent it some quotes for approval. That was agreed. There was no indication that Mr B struggled to do this and the next thing UKI heard was that he was withdrawing the claim. I can also see that Mr B's vulnerability was a factor in UKI agreeing to give him a discount on the renewal premium.

Having carefully considered the evidence I'm not persuaded by the allegation of unfairness that Mr B has made against UKI. Although it may have been difficult for him to communicate with UKI at the relevant time, he was able to present his arguments clearly and comprehensively and so I don't think UKI would necessarily have been aware of any problems in this regard.

Overall I haven't seen any strong or persuasive evidence that UKI failed to make reasonable adjustments for Mr B. This isn't meant at all to detract from what he has told us about his health problems. But I can't fairly conclude that in the light of them UKI ought to have acted any differently.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 October 2024.

Elizabeth Grant
Ombudsman

