

The complaint

Ms B complains that Admiral Insurance (Gibraltar) Limited (“Admiral”) incorrectly recorded a claim on the Claims and Underwriting Exchange (CUE) database, relating to her home buildings insurance policy.

What happened

Ms B says she was arranging her current insurance when she was told by Admiral about a claim record relating to a leak she reported in August 2021. She says the record says, “freezing – escape of water” with an associated cost of £456.

Ms B says that she contacted Admiral in 2021. But it told her she couldn’t claim due to the type of leak. This meant she paid for the repairs herself. Ms B says the cost of home insurance has increased because of the record Admiral placed on the CUE database. She doesn’t think this is fair as she says she didn’t make a claim.

In its final complaint response Admiral says Ms B made a claim in August 2021. It says she reported water leaking from her shower and through the ceiling below. An assessor was appointed to inspect the damage in September. The claim was subsequently declined as the cause was determined to be due to failed sealant. This was excluded from cover under Ms B’s policy. Admiral told her it would reopen the claim if she provided a report showing an insured cause was to blame for the escape of water.

Ms B didn’t think Admiral had treated her fairly, so she referred the matter to our service. Our investigator didn’t uphold her complaint. She was satisfied that Ms B had made a claim in 2021. She says Admiral incurred costs investigating the cause of the leak. And it was correct that it recorded this against the claim on the CUE database, even though it was declined.

Ms B didn’t agree with our investigator’s findings and asked for an ombudsman to consider her complaint.

It has been passed to me to decide.

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.

Having done so I’m not upholding Ms B’s complaint. I’m sorry to disappoint her, but I’ll explain why I think my decision is fair.

The purpose of the CUE database is to identify misrepresentation and identify fraud. The majority of insurers are signed up to CUE. Insurers must make an accurate record on the database of any incident whether it leads to a claim or not. This record must include any costs the insurers paid. My focus here is on whether the record Admiral added to the CUE database in 2021 was applied fairly.

I've read the claim records from August 2021. Ms B first reported a problem on 18 August. She describes a leak when using her shower as water was dripping through the ceiling below. In addition, the shower was making a loud whistling sound and the grouting where it's mounted gets wet during use.

The records show a call was attempted with Ms B on 19 August 2021, but she was too busy to talk. There was a gap in contact until Ms B sent some photos on 8 September. On 13 September there's a record of a call from Ms B querying why she hadn't heard about the leak being fixed. An assessor was then appointed to inspect the damage on 16 September. Admiral called Ms B on 21 September to say it had declined her claim as the leak was due to failed sealant.

I've thought about Ms B's comments that she didn't ask or give permission for Admiral to register a claim. Also, her comments that she wouldn't have agreed to an assessor's visit had she known there was a charge for this. But having read the claim notes, I think it's clear that Ms B was making a claim. This is apparent from the information she gave when she first contacted Admiral about the leak. She also made specific comments during the claims process asking when the leak was going to be fixed. Only when she discovered there was an entry on the CUE database did she raise concerns that this matter had been treated as a claim.

There was no charge to Ms B for the assessor's visit. The cost of this has been incorporated in the CUE record. But I don't think Admiral acted improperly or unfairly here. It's clear Ms B wanted to make a claim under her home insurance policy, to fix the problem with her shower. Costs were incurred by Admiral when validating the loss, which it correctly recorded on the CUE database.

Ms B's policy terms under the heading "*General Conditions to your Home Insurance Cover*" says:

"If you or your family are involved in any type of claim or loss, you must tell us about the incident within 48 hours of discovery."

This means it is a requirement of Ms B's policy terms for her to have reported the issue with her shower. So, a record of this incident was always necessary. Admiral has supplied evidence to support the costs it incurred when dealing with the claim. An amount of £456 was paid to its contractor for the trace and access work it did to identify the cause of the leak. It correctly included this amount in the CUE record.

Admiral has supplied a screen print of the CUE record. This confirms the cause of the loss as, "*Water Damage*". I've looked at the information Ms B provided. Under the heading "*brief details of claim*" the information Ms B provided says, "*Escape of Water – Freezing, Escape of Water*". I asked Admiral to comment on this point. It says it can find no record of it referring to 'freezing'. It says it did add the reference, "*Escape of Water – Not Freeze*". This was to indicate the claim was an escape of water caused by issues other than freezing pipes. But it can't find a record of 'freezing' being included as a cause of the damage.

From what I've read the correct cause was added to the CUE record. So, although I understand why the information Ms B has highlighted caused her concern, I don't think it's been shown that Admiral made a mistake, or that Ms B was adversely affected.

It's accepted that an insurer will take steps to validate the loss its policyholder is claiming. Admiral has demonstrated the costs it incurred when dealing with Ms B's claim. I'm satisfied this is accurately reflected in the CUE record.

Having considered all of this I don't think Admiral treated Ms B unfairly when adding the record it did on the CUE database. So, I can't reasonably ask it to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 25 December 2024.

Mike Waldron
Ombudsman