

The complaint

Ms A complains about Ageas Insurance Limited (“Ageas”) and how it dealt with an incident on her motor insurance policy, despite it being notification-only. Ms A complains the matter led to an increase in the premium.

What happened

In December 2023 Ms A notified Ageas that a cyclist collided with her car – saying it must have been unable to brake after cycling at pace down a path. Ms A wasn’t at fault for the incident.

Ms A didn’t make a claim but found Ageas to be difficult to deal with; it repeatedly asked for the same information, notifying her of the claim, and increasing the premium as a result of the incident. Ms A says this is all despite explaining to Ageas the incident was a notification only, and not a claim. Ms A says the whole matter has been distressing and difficult. So she complained.

Ageas acknowledged it could have explained the reason why it repeatedly requested information from Ms A. It apologised for causing Ms A distress and inconvenience throughout the matter. So, Ageas partially upheld the complaint. Ms A wasn’t satisfied with the response from Ageas so referred the complaint to this service.

Our investigator looked into the complaint. She said she didn’t think Ageas had treated Ms A unfairly. She said Ageas had recorded the matter as a fault claim since there was a risk the third party may make a claim on the policy. The investigator said Ageas was unable to open the photographs due to IT issues – so she didn’t think it had acted unreasonably in requesting the photographs again.

Ms A didn’t agree. She said at no stage were Ageas helpful or cooperative. And she didn’t think the onus should be on her to rectify the deficiencies in Ageas’ IT system.

Because Ms A didn’t agree, the matter has come to me to make a final decision.

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.

Incident recorded as a fault claim

I was sorry to hear that Ms A’s car was hit by a cyclist in an incident that wasn’t her fault. And I can understand that Ms A feels frustrated that the recording of the incident impacted her premiums.

The Claims and Underwriting Exchange (CUE) is a database which records information about motor and home incidents, as well as other areas. An insurer has a duty to make accurate records. If an insurer is signed up to CUE, then they will make a record of any

incident they have been made aware of, whether that leads to a claim or not. In this case I agree with Ms A that her report didn't lead to a claim requiring Ageas to pay out any costs. But a report was made, and the information shows Ageas were made aware of an incident. So, given there is a duty on Ageas to make accurate records, I can't say it acted unfairly recording this incident.

Ms A says she notified Ageas of the incident but wasn't making a claim since she wasn't at fault. Ageas explained that it had a duty to look into the matter in case the third party did make a claim in the future. I think that's fair and what I would have expected it to do; in order to protect Ms A's position, and its own. Ms A notified Ageas of the incident, so I don't think it was unreasonable for Ageas to make a record of the notification – and I've not seen any evidence that Ageas have at any point suggested no record would be made.

We often find that a claim or notification itself – regardless of who is at fault – will affect the premium. While some insurers will only rate on No Claims Discount (NCD) disallowed or 'fault' claims, others will consider any claim – or even just a claim notification – as a 'risk factor'. This is because insurers say that drivers who have been involved in accidents, regardless of fault, are more likely to be involved in future claims.

I can understand Ms A may find this illogical and unfair. But being involved in an incident could be linked to such things as her driving on higher risk roads or junctions, or driving at particular times. It's not our role to tell an insurer how to price their policies or what factors they should consider when calculating a risk. However, we need to make sure the insurer is applying a fair and consistent approach to all consumers.

I'm satisfied that Ageas correctly recorded the incident correctly and closed the file as information only when it didn't hear anything further from the third party. I think it's important to clarify, Ageas haven't treated this as a claim on the policy, it has treated it as notification of an incident. Since there is no dispute Ms A reported the incident to Ageas, I can't say it has done anything wrong, and so I don't require it to do anything further.

No support and lack of information from Ageas

In the terms of the policy it says, *"having a no claim discount will reduce the price that we offer you when it's time to renew your policy. However, the overall cost of your insurance may still increase and you may have to pay a higher excess."*

So I think Ageas explained that making a claim, even if Ms A wasn't at fault, may increase the price of her insurance policy.

I understand Ms A says call handlers at Ageas weren't helpful and made her think the issue with not receiving the documents was her fault. Ageas explained the issue was an IT matter and that's the reason she was repeatedly asked to send the photographs. Ageas acknowledged the service it provided fell short of what it should have been – and apologised. And that's what I would expect it to do.

Consumer Duty

Under the industry rules, firms have a duty to give consumers the information they need at the right time to allow them to make informed decisions.

I can see that when Ms A reported the incident to Ageas she was sent an information sheet which explained how the notification may impact her no claims discount. The letter says, "an information sheet is attached to help explain what will happen next." I have reviewed the

information provided and it explains the possible impact of any reported incident. So I'm satisfied Ageas provided Ms A with this information.

Complaint handling

I note Ms A has concerns about Ageas' complaints handling. Complaint handling isn't a regulated or other covered activity. So as a general rule, and in line with the law, if the complaint is solely about complaint handling we wouldn't be able to look into things. Where complaint handling forms a part of a customer's complaint, then we can take into account complaint handling when looking at the overall customer experience. In this case, I can't say the issues which Ms A raises about the complaints handling are an extension of the issues which relate to regulated activities, so I can't look into the complaint handling part of the complaint.

I want to reassure Ms A I've read and considered everything she has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the information nature of our service.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

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

Kiran Clair
Ombudsman