

## **The complaint**

Mr D complains that UK Insurance Limited trading as Churchill (UKI) has unfairly recorded a motor incident against his car insurance policy.

## **What happened**

Mr D held a car insurance policy underwritten by UKI. In September 2024 Mr D contacted UKI to make it aware of a motor incident he'd been involved in. He said he'd reversed his car into a pillar and cracked the bumper. So, he wanted to make a claim under the policy.

But shortly after, he contacted UKI and explained there'd been some confusion with what he'd reported. He said the incident and damage related to a different car that was insured elsewhere. So, he didn't want to proceed with the claim. UKI closed its file and reported the claim as a 'notification only' against the policy.

In November 2024, whilst looking to arrange alternative insurance elsewhere, Mr D discovered the notification had been recorded against the policy. And the insurer who he planned to purchase cover through told him the annual premium would increase by around £230 because of this. So, he complained to UKI.

UKI rejected the complaint and said the incident had to be logged on the Claims and Underwriting Exchange (CUE) database (which is a shared record of insurance claims and incidents) regardless of whether a claim was made.

Mr D wasn't happy with UKI's response and referred a complaint to this Service asking for the notification to be removed from his record. Our Investigator considered the complaint but didn't recommend it be upheld. He said UKI had acted reasonably in the way it recorded the incident against Mr D's policy. Mr D rejected our Investigators findings, so the complaint has been referred to me for 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.

I'd like to reassure the parties that although I've only summarised the background to this complaint, so not everything that has happened or been argued is set out above, I've read and considered everything that has been provided.

As I explained above, CUE is a database where insurers put information about claims and other incidents involving policyholders or third parties who claim against their policyholder. Some of the main reasons for the existence of CUE is to prevent misrepresentation and fraud. And insurers who do use it have a duty to record accurate information.

Mr D accepts he reported a claim to UKI. But he says he did so in error. He was out of the country at the time he was notified of the damage and was under the impression the damage was to his car. Once he returned to the UK he realised the damage related to a second car

he had access to, that was insured elsewhere. So, he says UKI should remove any record of the incident against the policy as it's not a true reflection of what happened.

Whilst I don't dispute Mr D's comments or his version of events, I've reviewed the conversation he had with UKI in November 2024 through an online chat function, in which he said *"I started a claim in December but on seeing the excess, did not proceed with it and got the repair done myself...sorry September."* I think this supports Mr D's car was involved in a motor incident as he'd planned to get the repairs done privately.

Mr D says he wrote that message to UKI at the time he thought the damage was on his car. And it was only after returning home he realised that wasn't the case. But Mr D hasn't provided this service, or UKI with any persuasive evidence to show the repairs to the second car were completed, or that the incident didn't occur. And had he, I might have looked at things differently. Although Mr D has provided images of damage on what appears to be a different car than the one insured, I don't think that in and of itself is enough to say the incident he reported to UKI didn't occur or that it was unreasonable for UKI to rely on the information he originally provided for it to record the notification.

As Mr D didn't proceed to claim under the policy, UKI recorded the claim as a 'notification' only and his no claims discount (NCD) was allowed. It has provided us with a copy of the CUE entry which, from what I've seen, confirms this.

I appreciate Mr D doesn't think the incident should have been recorded at all but as I said above, UKI has a duty to record accurate information on CUE. If UKI hadn't recorded the claim at all, in my view, it wouldn't have complied with this duty.

In instances where a claim is reported but the insurer doesn't have to deal with it and where a third-party hasn't made a claim like what I think happened here, I think it's fair and reasonable for such incidents to be recorded as "notification only". So, for that reason, I think UKI acted fairly and reasonably in how it recorded things. It follows, I'm not asking it to take any further action.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 22 April 2025.

Adam Travers  
**Ombudsman**