

The complaint

Mr and Mrs J complained that Accredited Insurance (Europe) Ltd (“Accredited”) unfairly recorded a claim against their home buildings insurance policy, which increased their premium.

I’ll refer to Mr J in my decision for ease.

What happened

Mr J said he was contacted by his water company on 29 October 2024 to inform him of a potential leak. On 5 November he said this was confirmed to be between the mains pipe in the road and his property. Mr J said he visited Accredited’s website to notify it of an incident. But there was no option for this. He said he followed the prescribed process but made clear he was only making a notification not a claim.

Mr J said that Accredited immediately sent a response telling him that a contractor would be sent out to investigate. He said this gave him no opportunity to arrange his own investigations. Mr J said the contractor found a leak on a pipe that was caused by ‘wear and tear’. This wasn’t covered by his insurance, so he paid the contractor directly for the repairs.

When renewing his insurance Mr J said his premium increased by around £300. This is because Accredited recorded the leak as a claim when it should have been a notification only. Mr J didn’t think this was fair and complained.

Accredited responded on 5 December 2024 in which it said Mr J was provided with information setting out the terms under which his claim was being made. It said that he was made aware by making a claim that this may have an impact on future premiums. It didn’t accept it had done anything wrong.

Mr J still didn’t think he’d been treated fairly and referred the matter to our service. One of our investigator’s looked into it for him. He didn’t uphold the complaint. Our investigator said Accredited had informed Mr J of the implications of making a claim. He said Mr J also agreed a date on which Accredited’s contractor would attend. Our investigator said it was fair that the business recorded this as a claim even though it was declined due to an uninsured cause.

Mr J responded to say he’d paid the full cost of the repairs and reiterated there was no option to make a notification only a claim. He didn’t accept our investigator’s findings and asked for an ombudsman to consider his 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 Mr J's complaint. I'm sorry to disappoint him but I'll explain why I think my decision is fair.

The Claims and Underwriting Exchange (CUE) is used to identify misrepresentation and prevent fraud. Most insurers are signed up to CUE, including Accredited, and this means it must record accurate information about any incident whether it leads to a claim or not. Insurers use the information on CUE to help decide whether to offer insurance and at what level it should set its premiums. So, it's important that the information recorded on the database is accurate. I've focused on whether Accredited recorded information accurately and fairly in relation to Mr J's claim.

I've seen the information Mr J provided when he submitted his claim online. He explained that he was informed of a potential leak by his water company on 29 October 2024. This was confirmed as an actual leak two days later. Mr J then contacted Accredited using an online form. He said that he wasn't making a formal claim but rather he was notifying the business of an incident. Albeit he also said that "*a claim seems highly likely*". In the claim submission Mr J said he would update Accredited once the water company had carried out further investigations. He also said that if Accredited wanted to carry out its own "*pre-emptive investigations*" it was welcome to do so.

Accredited has provided a copy of the message Mr J was presented with before he submitted his claim. It said, "*Making a claim does have the potential to affect your future premiums, but that information would not be available until you reach renewal*". It asked Mr J to check a box that said he understood the information presented to him. He then had to click on a button to submit his claim.

Based on this information Mr J was aware that he was submitting a claim, and that this could have an impact on his future premiums.

Mr J's claim was submitted on 31 October 2024. Accredited then contacted Mr J to inform him how to access his online portal. I've seen the messages it sent providing options for the dates its plumbing contractor could attend. Mr J selected a date. He also added a message to provide directions to his home. Accredited thanked Mr J and confirmed it would provide this information to its contractor. He didn't query why a contractor was being sent or indicate in this conversation that he was considering arranging his own investigations.

I've read the report written by Accredited's contractor. It confirmed the leak was caused by wear and tear resulting in a split water pipe. I've checked Mr J's policy terms. Cover is excluded for damage caused by wear and tear. I note that Mr J hasn't disputed the decline decision so, I needn't comment further on this point.

I've thought carefully about Mr J's view that he hadn't made a claim. I acknowledge what he said about making a notification. But it's clear he did make a claim and confirmed his understanding that this could have an impact on future premiums. If Mr J didn't want to make a claim, given the possible impact on his future premiums, he should not have completed this form.

I acknowledged Mr J's comments that he had no alternative but to use the online form as there was no option for a notification. But I think it would have made sense to check for another contact method. I can see that telephone numbers for Accredited's customer services team and claims team are detailed in Mr J's policy schedule. This information is also included in his policy booklet along with a postal address. Given that Mr J said he didn't want to make a claim - I think it's reasonable to expect he would make contact via phone or by mail to query how he could inform Accredited about the issue he was having.

The information Accredited recorded with CUE confirms there was no cover under Mr J's policy for an accidental damage claim to underground pipes/drains. I can't see that the information it recorded was inaccurate.

Having considered all of this, although I'm sorry Mr J is paying more for his insurance, I don't think Accredited did anything wrong. Mr J submitted a claim online confirming he understood he was proceeding with a claim and the potential impact this could have on his future premiums. He later agreed a date for Accredited's contractors to investigate the leak, which again indicates his understanding that he was making a claim. So, I don't think Accredited acted unfairly when it recorded a claim on CUE. And 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 Mrs J and Mr J to accept or reject my decision before 21 August 2025.

Mike Waldron
Ombudsman