

## **The complaint**

Miss Y complains that Aioi Nissay Dowa Insurance UK Limited trading as Insure the Box (ANDI) didn't give her a refund of premium after closing down a claim on the policy as non-fault.

When Miss Y referred her complaint to the Financial Ombudsman Service she also mentioned other concerns with ANDI's service including it not arranging repairs. But, at the time ANDI hadn't had a chance to respond to that matter. Ms Y has also complained to ANDI about an issue concerning a policy cancellation. But that was not a point she complained to this Service about. So, in this decision I will only be looking at the issue of whether or not ANDI should have given her a premium refund.

## **What happened**

Miss Y took out a policy with ANDI in November 2022. Shortly afterwards, on 22 November 2022, she told ANDI about an incident (incident 1) where another car had scratched hers. Miss Y said she didn't want to claim against her policy.

In March 2023, as ANDI hadn't received a claim from either party, ANDI recorded incident 1 as 'information only'.

In June 2023 Miss Y told ANDI about another incident (incident 2) when her car had rolled into another car. Miss Y accepted that claim would be recorded as a fault claim against her.

Miss Y told ANDI about a third incident (incident 3) where another vehicle had hit her car at traffic lights. Miss Y didn't claim for any damage against her own policy. The third party did. ANDI defended that claim.

Miss Y contacted ANDI before her policy was due to renew in November 2023. At that point ANDI told her that her premium would be around £2,027 a year. Miss Y commented that this was around double what she had paid previously. ANDI told her that if her fault claim (incident 3) closed as being non-fault then it could see if a refund was due at that point.

Miss Y didn't immediately renew her policy. But, after making a change to the parking arrangements on it she renewed for around £2,100 a year, which she paid in instalments.

Some months later Miss Y complained that although incident 1 had been closed as non-fault ANDI hadn't provided a refund of premium. ANDI didn't uphold her complaint. It said that Incident 1 had not affected her renewal premium and incident 3 remained open, so unless and until it closed as non-fault no refund was due.

Miss Y brought her complaint to the Financial Ombudsman Service. One of our Investigators looked into it. She didn't think that ANDI needed to take any further action.

Miss Y didn't agree with our Investigator's complaint assessment so the matter's 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.

I'll briefly explain that insurers have a system for classing driving incidents and claims which they record on a shared database: the claims and underwriting exchange (CUE). Insurers are required to record all such information accurately. And that includes incidents which could give rise to a claim but do not do so.

Insurers generally class claims they make a pay out on and don't recover the money as fault claims. And where insurers recover all their outlay from the other party they class the claim as non-fault. If a policyholder tells an insurer about an incident but the insurer doesn't receive a claim they will record it as information or notification only.

It's also standard procedure across the insurance industry for insurers to treat open claims as if they're fault claims.

And when a previously open claim has affected a policy premium, but that claim then closes as non-fault it's also usually standard procedure for insurers to revisit the premium charged and pay a refund where that is due.

In this case, at the time Miss Y renewed her policy, there were two fault claims affecting her premium. Incident 2, which she accepts was her fault, and incident 3 which remained open because ANDI was disputing liability with the third party insurer. Both of those claims would have affected Miss Y's entitlement to a no claims discount (NCD) and also affected her premium.

I appreciate that Miss Y didn't think she was to blame for incident 3. But, as I've already said, as the claim remained open at that time, it was standard procedure for insurers like ANDI to treat such a claim as a fault claim until such time as it was settled. That's what ANDI did in this case and I don't think that was unfair.

I've heard Miss Y's conversations with both ANDI and one of my colleagues where she is convinced that incident 1 has affected her 2023 renewal premium. But I'm satisfied that's not correct.

ANDI closed Incident 1 as information only in March 2023. And I've seen confirmation from its pricing team that incident 1 did not affect the renewal premium from November 2023. So there is no refund of premium due because incident 1 was closed as non-fault (or information only) before her policy renewed.

I think matters became complicated when Miss Y was looking for insurance with other insurers around May 2024. She said that one insurer told her that ANDI had recorded three *claims* against her policy, when in fact Miss Y hasn't made any claims at all.

Obviously I haven't heard exactly what was said when Miss Y spoke with the other insurer. But I think it's likely that when referring to 'claims' the other insurer was actually referring to the three incidents discussed above and recorded on CUE.

I've noted that, in another complaint response, ANDI acknowledged that it had incorrectly recorded incident 1 as affecting Miss Y's NCD entitlement, which it corrected in May 2024. And this might have been what prompted the other insurer to believe that incident 1 was a claim rather than an information only event. But given that ANDI's pricing team has confirmed that incident 1 did not in any way affect Miss Y's premium calculation, I'm satisfied its error here did not mean that ANDI owed Miss Y a premium refund.

For completeness I'll add that I'm aware that ANDI did tell Miss Y that if incident 3 closed as non-fault then it would consider at that time whether or not she was entitled to any refund of premium. But as far as I'm aware, at the time Miss Y brought her complaint to the Financial Ombudsman Service, that claim had not closed as non-fault, and as such ANDI was not in a position to calculate if any refund was due. So I don't think it had done anything wrong by not paying Miss Y a premium refund.

I'll also add that I'm aware that Miss Y believes that ANDI's premium was far too high. But she was under no obligation to renew her policy with ANDI. So if she thought her premium

was too high she could have shopped around to find a premium from another insurer which she felt was more affordable for her.

**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 Miss Y to accept or reject my decision before 26 August 2025.

Joe Scott  
**Ombudsman**