

The complaint

Mr B complains that Tradex Insurance Company Plc recorded an incident on his motor insurance record even though he didn't make a claim on his policy.

Tradex used a third-party company to handle Mr B's claim and instructed another company to arrange repairs to his vehicle. His correspondence has been with these companies rather than directly with Tradex. For the avoidance of doubt, any reference to Tradex includes its agents, including the claims handling company and repairer.

What happened

Mr B had a motor insurance policy with Tradex. In March 2025, he called Tradex to report an incident involving damage to his car. During the call, he made it clear he didn't want to make a claim. However, Tradex opened a claim for him and instructed its approved repairer to contact him to arrange repairs to his vehicle. It also recorded this on the Claims and Underwriting Exchange (CUE) database.

Mr B was unhappy with how Tradex handled this matter. Tradex accepted that it handled the matter poorly. It apologised for its mistakes and paid Mr B £275 in total to reflect the distress this had caused him. However, it told him it had correctly recorded the incident as part of his claims history. Mr B remained unhappy and complained to this service. He wants the incident removed from insurance databases.

Our investigator upheld the complaint in part. She agreed that Tradex handled the matter poorly. She recommended that it pay Mr B an additional £100 to apologise for the distress it had caused him. However, she explained that it was required to record Mr B's driving history accurately. She was satisfied it had correctly recorded the incident as on the CUE database.

Mr B disagreed with our investigator, so the case was passed 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.

First, ombudsmen decisions are published so are written in a way that prevents the customer from being identified. Mr B's personal circumstances – including his health – are known to both parties so I'm not going to set them out here. If I'm vague about them it's to keep Mr B from being identified not because I've ignored them or think them irrelevant.

I find:

- Mr B's policy requires him to notify Tradex about accidents. Page 36 of his policy booklet ('General Conditions') says: *"You must, when an incident occurs which may result in a claim i) within 48 hours of the occurrence or discovery advise us, initially by telephone and then in writing, of all incidents including assault, road rage or altercations which may result in a claim regardless of whether or not you are responsible."*

- This is a common term in motor insurance policies and I don't think it's unreasonable. Insurers need to record claims information – including incidents which don't result in a claim – on the CUE database.
- One of the main reasons for the existence of CUE is to prevent misrepresentation and fraud. Insurers who use it have a duty to record accurate information.
- So I don't think it's unfair for Tradex to record details of this incident on CUE. I'd expect it to take appropriate care to ensure any information is an accurate reflection of what happened.
- Tradex has shown that the record it placed on CUE is 'notification only' with 'NCD [no claims discount] allowed'. I'm satisfied this is correct.
- It's possible this will affect his future insurance premiums, however that's likely to vary across different insurers. But given Mr B's responsibility to notify Tradex about any incidents and Tradex's responsibility to record them accurately, I don't think this is unfair.
- The main problem in this case was that the call handler Mr B spoke to opened a claim for him. This was despite him clearly saying he didn't want to make a claim – he simply wanted Tradex to trace the third party responsible.
- As our investigator said, the agent wasn't clear about what was going to happen, didn't explain the claims process, and lacked empathy. This led to Mr B becoming increasingly frustrated. I think this was incredibly badly handled by Tradex's agent and I'm pleased Tradex recognised this.
- As a result of its call handler's mistake, Tradex instructed its repairer to contact Mr B about repairs to his vehicle. The repairer continued to call him even after he complained about this and asked Tradex to close the claim. This caused Mr B further distress. I'm satisfied that the repairer has now removed Mr B's details from its records.
- I think this matter was made worse given Mr B is vulnerable, and Tradex was aware of this.

For the reasons above, I don't think Tradex treated Mr B fairly by opening a claim when he explicitly asked it not to. I also think its repairer failed to remove Mr B's details from its system promptly. This caused him unnecessary distress and inconvenience.

Putting things right

Tradex paid Mr B £275 across two payments in March and April. I've thought about what this service might award in similar circumstances.

Having done so, I agree with our investigator's recommendation that it should pay him another £100 to reflect the ongoing distress the matter caused him.

My final decision

My final decision is that I uphold the complaint and order Tradex Insurance Company Plc to pay Mr B £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 October 2025.

Simon Begley
Ombudsman