

The complaint

Ms B complains about AXA Insurance UK Plc (AXA) cancelling her motor insurance policy following validation of the policy.

Any reference to AXA in this decision includes their agents.

What happened

Ms B took out a motor insurance policy with AXA in June 2024. In doing so, she recorded one previous claim when her vehicle was hit whilst unoccupied in February 2023, which had been settled. There was a second, outstanding claim made by a third party against Ms B relating to an incident in December 2023 (when she was insured by a separate insurer, A). Ms B disputed the claim, believing there was no damage to the other vehicle from the incident and that it was a fake claim. A advised Ms B the claim hadn't been settled and was in dispute.

Ms B received a text message from AXA telling her there was an important email in relation to her policy, requiring action from her. Ms B logged into her account with AXA and updated them about the previous outstanding claim. AXA accepted the updated information and charged an additional premium of £57.12. However, Ms B says she then received an email from AXA saying her policy had been cancelled with immediate effect, leaving her without insurance cover while driving some distance from her home.

When Ms B contacted AXA to find out why they'd cancelled her policy, she was told she should have recorded the additional claim as 'open/unresolved' rather than 'disputed' and recorded it as a 'fault' claim. Ms B challenged AXA's decision, saying she'd simply recorded information about the additional claim that she'd been provided with by her previous insurer. Ms B had to arrange alternative cover with another insurer, at an increased premium due to the cancellation of her policy by AXA.

Unhappy at having her policy cancelled, Ms B complained to AXA.

In their final response, issued in August 2024, AXA didn't uphold the complaint saying they was no evidence they'd deviated from their normal process. They said the Claim and Underwriting Exchange (CUE) database listed the additional claim as 'open/unresolved' from December 2023. The information was originally omitted when Ms B took out the policy, then recorded as 'you were not to blame'. AXA said the claim should have been added to the policy as shown on CUE, which could only be amended by the insurer (A) who submitted it.

Correspondence issued by AXA to Ms B set out clearly how the information should have been added, and if this wasn't done the policy would be cancelled. Ms B said she didn't receive the emails from AXA, who said the emails would have been supplemented by letter and text message. They didn't call customers to make these kind of changes, nor list it as an outstanding task on a customer's online account. Text messages saying the changes made by Ms B had been updated meant the changes had been made – not that they were necessarily correct. Further text messages hadn't been followed up by Ms B.

Ms B then complained to this Service, saying it was unfair for AXA to cancel her policy, leaving her without cover while some distance from home. She'd provided information about the additional claim when requested by AXA, describing it in the way she'd been advised by A. She'd been put in a difficult position and had to take out alternative cover at increased cost. She wanted record of the cancellation removed from her insurance record.

Our investigator didn't uphold the complaint, concluding AXA didn't need to take any action. acted within the terms of the policy. Ms B believed she'd updated her claim details as requested by AXA, whereas AXA maintained she hadn't updated them in line with the claim details recorded on CUE. AXA had provided copies of emails sent on three dates in June 2025 about the need to update her claim details, the last of which was after Ms B had updated her claim record (incorrectly, according to AXA). Ms B didn't update her claim record so the policy was cancelled from the beginning of July 2024.

While Ms B didn't have any tasks outstanding on her account, the investigator thought she should have contacted AXA to confirm whether further action was needed. There was nothing to suggest AXA's emails hadn't been received and they'd made reasonable attempts to contact Ms B. And they'd applied the policy terms fairly that provided for them to cancel the policy where accurate information hadn't been provided or requests complied with..

Ms B disagreed with the investigator's view and requested that an ombudsman review the complaint. She maintained she didn't receive emails from AXA (she'd checked her inbox, and junk email folders) just text messages and no outstanding actions on her account. And she wouldn't have ignored the emails given their importance. She provided a screenshot of emails she'd received from AXA (one right at the beginning of June asking her to set up her online account and another in early July acknowledging her complain, not those AXA said they'd sent in between those dates).

She also maintained she hadn't knowingly given incorrect information to AXA, passing on information she'd been given by A that she believed was correct. Given this, she believed the cancellation of her policy should be removed from her insurance record.

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.

My role here is to decide whether AXA have acted fairly towards Ms B.

The key issue in Ms B's complaint is AXA cancelling her policy following validation of her policy by AXA. AXA say the claims history provided by Ms B when she took out the policy didn't match that recorded on CUE (the additional claim in December 2023). And when Ms B did update her claims history, it didn't match the claim details recorded on CUE and she didn't respond to further messages. Ms B says she updated her claims history in line with what she'd been told by her previous insurer (A) and the messages from AXA didn't ask her to make further changes. And she didn't receive emails from AXA they said they'd sent. Nor did her online account show outstanding actions from her. So, she didn't think she needed to make further changes or updates to her claim history.

Having considered the evidence and information available in this case, I'm not upholding the complaint. I know this will be disappointing to Ms B, so I'll set out why I've come to this conclusion.

What isn't in doubt is that there was an additional claim under Ms B's policy in December 2023, though she maintains it was a fake claim with no damage to the third party vehicle in

the incident concerned. Looking at the Schedule of Insurance issued when she took out the policy, it records one claim or accident in the previous five years (which I take to be the claim in February 2023, referred to by Ms B). Given AXA would have access to the CUE, which recorded the claim in December 2023, I think it was reasonable for them to contact Ms B and ask her to update her claims history, given the difference from that recorded on CUE.

At this point, I note AXA didn't treat the non-disclosure of the second claim as a misrepresentation by Ms B under the Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA) nor seek to apply any of the remedies they could potentially have applied had they considered the misrepresentation to be qualifying and either careless, deliberate or reckless. For example, simply cancelling or avoiding the policy, with or without a refund of policy premiums. Rather, they asked Ms B to update her claims record in line with that recorded on CUE. That was AXA's decision, which I think was reasonable as it gave Ms B the opportunity to update her claims record. I recognise Ms B feels strongly the claim was fake and she wasn't to blame, but insurers (in this case A) have a responsibility to consider all claims that may be brought against a policy, including those from third parties, and to record the details of those claims, both internally and externally, including on CUE.

As AXA haven't sought to apply CIDRA in this case, I haven't considered this aspect further.

A key point of dispute in this case is whether Ms B received emails sent by AXA in June 2024, variously asking her to update her claims record, giving notice of cancellation, asking her to correct the update she provided and then giving notice of the cancellation of her policy. Ms B says she didn't receive these emails, saying she only received emails at the very beginning of June and then in early July acknowledging her complaint.

AXA have provided a copy of the first [disputed] email they sent Ms B in June 2024, asking her to update her claims history, within 14 days, or her a notice of cancellation would then be issued. The email is addressed to the same email address used by Ms B when bringing her complaint to this Service. The email asks Ms B to update the information as shown below and that she should list the claim using the same details shown to make sure her cover is still valid. If she thinks the information (as recorded on CUE) is wrong, she should contact her previous insurer to ask that it be corrected.:

"[Ms B] Open or unresolved claim [December 2023]."

I think this makes it clear the claim details need to be those as set out in the email. AXA's email also sets out the steps required for Ms B to make the change to her online account. AXA say Ms B added the claim (in mid-June) as 'non fault' (rather than 'open or unresolved' as AXA had requested). From AXA's system records, the updated claims record shows it refers to 'Accident (you were not to blame)'.

AXA have also provided a further email sent later in June, making the same request but giving seven days' notice of cancellation if her account isn't updated. They've also provided a further email to Ms B saying the claims history had been updated as 'non-fault', which differs from the description recorded on CUE. The email asks Ms B to provide written confirmation from the previous insurer that the claim had been settled (and its status) or for Ms B to update the claim history in line with that recorded on CUE, as set out in their previous emails. The email says that if the claim history remains unchanged, the policy will be cancelled with effect from the beginning of July 2024.

While Ms B says she didn't receive the emails, copies provided by AXA include the same email address as used for other emails (and by Ms B when making her complaint to this Service). On balance, I'm persuaded they were sent.

The issue then becomes one of how Ms B updated her claims record. Which as I've set out above, differs from that recorded (by A) on the CUE. As Ms B's complaint is against AXA, I can't consider whether A's recording of the claim details was accurate, that would be a matter for them. However, I have noted the claim details were updated again in September 2024, recording an outlay against the claim by A. Which would indicate they treated it as a fault claim (as they were unable to recover their outlay, which isn't the same thing as ascribing 'blame' for the incident').

As I've set out above, AXA requested Ms B update her claims record to reflect what was recorded on CUE, setting out the wording to be used (as Ms B wouldn't have direct access to CUE). But Ms B updated her claims record according to what she thought was the circumstances of the claim (as she was advised by A). But this differs from what A recorded about the claim on CUE. As I've mentioned earlier, this decision considers Ms B's complaint about AXA, it can't consider the actions of A, which would also include what they may have told Ms A about the claim details, which she then used to update her claims record under her policy with AXA.

Ms B says she got very similar text messages after she'd updated her policy (which meant an increased premium) so assumed they were about the same thing. But they refer to an important email, which – even allowing for what she says about not receiving the emails – I think should reasonably have been interpreted to indicate there was further issue(s) for her to consider (which suggests it would have been reasonable to contact AXA directly).

In cancelling the policy because Ms B didn't update her claims history as they had requested, AXA say they are relying on the policy's *General Conditions* which include the following statement:

"To have the full protection of your policy, you and any named drivers must comply with the following conditions, otherwise we may cancel the policy, refuse to deal with any relevant claims, or reduce the amount of any claim payments:

1. Your policy information

You must have answered accurately and truthfully all questions relating to your policy details...

We may audit your policy details throughout your term of cover in order to validate the details you have provided...

If you fail to provide us with accurate information or do not comply with our requests we may:

b) cancel your policy by giving you a minimum of 7 days' notice in writing to either the email or the postal address last known to us and return any premium less our cancellation charge or recover any unpaid premium."

Looking at this wording, I think it reasonable to cover the circumstances of this case, where Ms B didn't initially declare the additional claim, then didn't update her claims record in line with the details about the claim recorded on CUE. In asking Ms B to update her claims record, AXA were validating the details she had given and they requested she update it in line with the details recorded on CUE. The emails sent by AXA provide notice of the cancellation in line with the above conditions, the cancellation didn't take effect until nearly a month after they had first asked her to update her claims record.

So, I've concluded AXA acted in line with the policy terms and conditions when giving notice, and then cancelling the policy/

Taking all these points together, I've concluded AXA have acted fairly and reasonably, so I won't be asking them to take any further action.

My final decision

For the reasons set out above, my final decision is that I don't uphold Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 August 2025.

Paul King
Ombudsman