

## The complaint

Mr P complains that Sainsbury's Bank PLC incorrectly recorded a claim on his motor insurance policy. Mr P believes that because of this error insurers have charged higher premiums to insure him.

## What happened

Sainsbury's sold Mr P a motor insurance policy which he has since renewed. That policy is underwritten by an insurer I'll call insurer A.

In October 2022 Mr P damaged his car at low speed when he scraped it against a wall. No other cars were involved. He claimed on his policy and insurer A arranged repairs.

Mr P was also a named driver on his wife's policy. In 2024 her insurer, who I'll call insurer R, said it had found out that Mr P had been involved in a 'multi vehicle collision' and as such it was increasing Mrs P's premium. Owing to the increase in Mrs P's premium Mr and Mrs P chose to remove Mr P as a named driver on Mrs P's policy.

Mr P complained to both Sainsbury's and insurer A that the October 2022 incident had been incorrectly recorded. He brought those complaints to the Financial Ombudsman Service. He said that not only had his own premiums most likely increased because of Sainsbury's or Insurer A's mistake but he was also now not able to drive his wife's car, because he was no longer a named driver on her policy.

We've considered Mr P's complaint about insurer A under a separate reference number. I refer to it here for context purposes only. But as that is a separate matter, I will not be making any findings about Insurer A's conduct in this decision.

Insurer A provided evidence that it had correctly recorded the incident on the claims and Underwriting Exchange (CUE)<sup>1</sup> as '*impact with an immobile object – wall*'. So our Investigator who was considering Mr P's complaints was persuaded that insurer A had correctly recorded the claim on CUE.

Sainsbury's told us that insurer A had informed it about the claim. And when it had done so it said that the incident was a '*multi vehicle collision*'. But in any event insurer A had confirmed that it only rates premiums on whether a claim is fault (no claims discount affected) or non-fault. So whether the accident was a single car or multiple car incident, it wouldn't affect the premium it charged.

Sainsbury's also said that insurer A had since confirmed that the October 2022 incident only involved a single car incident, so Sainsbury's had corrected its records.

Our Investigator noted that as the claim was correctly recorded on CUE she didn't think Sainsbury's was responsible for insurers A or R charging Mr and Mrs P higher premiums.

Our Investigator also noted that Sainsbury's had upheld part of Mr P's complaint because it had failed to send him a promised leaflet. It offered him £25 compensation for the impact of that mistake.

Mr P remained dissatisfied. So, as our investigator was unable to resolve the matter, it's been passed to me to decide.

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<sup>1</sup> CUE is a shared database of insurance claims and incidents

## 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.

There's no doubt the October 2022 incident only involved Mr P's car. So it clearly wasn't a 'multi car collision'. It's not entirely clear when this error first arose. Insurer A's shown us that it correctly recorded the matter on CUE as described above. But Sainsbury's believes it was insurer A that incorrectly told it the claim related to a multiple car incident. However, why insurer A would have done that isn't clear, as there's evidence it recorded the incident on CUE as being single vehicle. But Sainsbury's doesn't dispute that it had recorded the incident on its system as being multi car when that wasn't the case.

It's not at all obvious how the above mistake arose. However, I'm satisfied that it's extremely unlikely to have had any impact on Mr P's or Mrs P's premiums. As I've said above, insurer A has already confirmed that it's premium would not change regardless of whether the accident was caused by a single or multiple vehicle event.

It is the case that Mrs P's premium – when Mr P was on the policy as a named driver – increased after insurer R learnt of the October 2022 incident. And Mr P's told us that, because of that increase in premium they chose to remove him from that policy as a named driver. So he can no longer drive his wife's car. But I don't think that increase in premium was because the incident had at some point been incorrectly recorded as 'multi car'. That's because when Mrs P applied for her policy with insurer R in 2024 it asked her if any driver on the policy had been involved in any claims or incidents in the previous three years. Mr P had claimed in 2022. So Mrs P should have referred to this incident. But the evidence is that she overlooked this and answered 'no'. That is she said that neither she nor Mr P had made a claim or been involved in an incident when Mr P plainly had.

Then, when insurer R learnt of that October 2022 claim it revised Mrs P's premium causing it to increase. That's not unusual. That's because every insurer I'm aware of will consider a driver with a – relatively – recent fault claim on their policy as being a higher risk than drivers without such a claim. Insurers reflect that in the premiums they charge. And I think it was that change in risk, the recent fault claim for Mr P, which caused Mrs P's premium to increase.

But, I'm satisfied that the increase in risk perception was simply because insurer R learnt of the fault claim and not because it was recorded as a 'multi vehicle collision'. I'll add that my understanding is that on CUE, to be a multiple vehicle incident it only requires two cars to be involved, which is what most accidents are. And I'm not aware of an insurer that rates a driver with a fault claim involving a multiple vehicle collision on CUE as a higher risk than a driver that's hit an immobile object. That is unless the claim has cost an extremely high amount to settle. But that wasn't the case here. In fact insurer A had recorded on CUE that the claim was settled for less than £3,000 with £0.00 being paid to a third party. So the CUE entry alone shows that no payment was ever made to a third party.

That said I noted that, when Sainsburys sent Mr P his policy renewal documents in July 2025 it still referred to the October 2022 event as a multi vehicle collision. So we asked it for an explanation for why that was. In response Sainsbury's told us that it still hadn't updated its records at that point. But it's confirmed it has done so now.

We also asked Sainsbury's to confirm if it has the facility to update CUE. It told us that as a broker it does not have the facility to amend CUE. So the incorrect entry on its record should not have affected how the claim was recorded on CUE.

Finally, I note that when Sainsbury's responded to Mr P's concerns it said it was upholding it and offering £25 compensation. But I'm satisfied that the only point it upheld was its omission to include a leaflet when responding to his complaint. It did not accept that it had

mis-recorded the claim on CUE or caused Mr P's or his wife's premiums to rise. And I think that response was reasonable in the circumstances.

**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 Mr P to accept or reject my decision before 12 December 2025.

Joe Scott  
**Ombudsman**