

The complaint

Mr F complains about Ageas Insurance UK Plc (Ageas) adding two notification-only claims to his policy following validation after he took out a motor the policy. Ageas identified the claims from a search on the Claims and Underwriting Exchange (CUE) database. Adding the two policies led Ageas to charge an additional premium for the policy, which would be cancelled if Mr F didn't pay the extra premium. Mr F says the claims were wrongly added by two previous insurers and shouldn't have been used to charge an additional premium.

References to Ageas in this decision also include their agents, one of which was the insurance intermediary (A) involved with the policy, who dealt with Mr F's initial complaint about the addition of the two claims to his policy, including a final response issued in April 2025. They were also given authority by Ageas to respond on their behalf to Mr F's complaint to this Service.

This decision covers Mr F's complaint to this Service in April 2025, against Ageas as the insurer of the policy who calculated the additional premium for the policy. It doesn't cover A as the insurance intermediary or his two previous insurers, who added the claims to the CUE database. The latter are the subject of separate complaints by Mr F to this Service.

What happened

Mr F took out a motor insurance policy with Ageas in March 2025, at a total premium of £359.98 (including a service fee of £40). From subsequent policy validation checks, Ageas found two notification-only claims recorded against Mr F on the CUE database, which he didn't declare when taking out the policy. The claims were recorded by two previous insurers of Mr F, in 2020 and 2024 respectively.

Ageas calculated an additional premium of £253.67 (including a service fee of £35) from adding the two claims to the policy. When they attempted to collect the additional premium using details of the card they held for Mr F, payment was declined. So, they issued a seven-day notice of cancellation of the policy, then a similar follow-up letter the following week.

Mr F was unhappy at having the two claims added to his policy and that they led to an additional premium. Ageas suggested he contact his two previous insurers to see if they would remove the claims from the CUE database. Mr F contacted Ageas again, who agreed to cover £69.42 of the additional premium as a goodwill gesture, and he paid the balance (£184.25) to avoid his policy being cancelled.

Mr F remained unhappy the claims had been added and led to an additional premium. So, he complained to Ageas (to A in the first instance).

In their final response (issued by A in April 2025) they didn't uphold the complaint. They said they were obliged to add the two claims to Mr F's policy, as if they weren't, should Mr F have an accident then any claim could be rejected, or his policy avoided for non-disclosure. And all claims (regardless of fault, no fault or notification-only) would affect their assessment of risk presented by Mr F and therefore the appropriate premium. But if Mr F could provide evidence from his previous insurers confirming the two claims would be removed from the

CUE database, they would in turn remove them from the policy. But should Mr F decide he wanted to cancel his policy, Ageas would waive the cancellation fee that would apply.

Mr F then complained to this Service, unhappy at the claims being added to his policy and increasing the premium (nearly doubling). As notification-only, it was unfair to add them as he hadn't made claims for either incident. He wanted the additional premium refunded.

Our investigator initially didn't uphold the complaint. The policy terms provided that, should any of the information provided be incorrect, Ageas could take one of several actions, including cancelling or avoiding the policy, change the terms of the policy (including adjusting the premium), or refusing to deal with all or part of a claim or reduce the amount of any claim payment. This meant all claims, including notification-only, needed to be disclosed. Given the policy terms, Ageas had the right to adjust the policy premium for claims, even notification-only. So, Ageas had acted fairly and reasonably.

Following representations from Mr F, our investigator reconsidered the complaint, issuing a second view upholding the complaint. From the evidence and information available, he concluded Mr F had made a qualifying misrepresentation under the Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA) when taking out the policy, by not declaring the two claims. The investigator concluded the misrepresentation was careless as Mr F didn't take reasonable care when answering the question he was asked when he took out the policy, about accidents, claims or losses in the previous five years, including where no claim was made.

While concluding Mr F made a qualifying, careless misrepresentation, the investigator concluded Ageas hadn't applied the correct remedy available under CIDRA. The relevant provisions stated if an insurer would have charged a higher premium (as Ageas had done), it could reduce proportionally the amount to be paid on a claim. But if no claim had been made, CIDRA didn't allow an insurer to simply charge a higher premium retrospectively. In those circumstances, where a misrepresentation was discovered for a reason other than a claim being made, an insurer could either choose to cancel the policy or allow the policy to continue and settle any future claims proportionately – the insurer couldn't insist on charging a higher premium. Mr F said he felt pressured into paying the additional premium, given the urgency of the payment request, to avoid the alternative of policy cancellation, with the associated negative consequences.

As Ageas hadn't applied a remedy available in the circumstances for the misrepresentation under CIDRA, it hadn't acted fairly towards Mr F. To put things right, the investigator thought Admiral should pay Mr F £100 compensation for distress and inconvenience. Ageas should also refund the additional premium paid by Mr F and offer to continue the policy on the basis any future claims would be settled proportionately under CIDRA.

Ageas disagreed with the investigator's revised view and requested that an ombudsman review the complaint. They noted the alternative remedies available under CIDRA, but without the two claims recorded under the policy, they couldn't continue to provide cover and would therefore cancel the policy. They made Mr F aware they would cancel the policy unless the two claims were added to the policy with the additional premium paid. Mr F took the decision to add the claims and pay the additional premium, rather than allow the policy to be cancelled. Mr F had ten days' notice of the potential cancellation and so had time to seek alternative cover should he not wish to pay the additional premium. In such circumstances, Ageas would not have treated the cancellation as enforced and therefore it would not have had to be declared to future insurers. That also meant the only impact to Mr F's future premiums would be the two claims he would be obliged to declare.

Ageas also questioned the investigator's interpretation of the remedies available under CIDRA. They said the option of a proportionate settlement would have been available had the misrepresentation been discovered at the point of a claim being made under the policy. Where misrepresentation was discovered prior to a claim (as in Mr F's case) there was no obligation to allow him to continue to pay a lower premium and elect to have any future claim paid proportionately. Vehicle claims had the potential to incur very large costs, meaning there would be significant detriment to a consumer if a claim was settled proportionately and the relevant proportion of costs sought from the consumer.

In my findings, I concluded Mr F should have declared both incidents, even though he didn't make a claim and they were recorded as notification-only. While he thought the previous insurers were wrong to record them on the CUE database, that didn't change the fact he should have declared them to Ageas. So, the information he provided was incorrect and/or /inaccurate. I also concluded he made a qualifying, careless misrepresentation by not declaring them.

While Ageas would have continued to provide cover on payment of an additional premium, they didn't provide the option (under CIDRA) to continue the policy but with any future claims settled proportionately). Nor did they explain they would not have treated any cancellation as enforced and therefore not have had to be declared to future insurers.

But I wasn't persuaded Mr F was genuinely pressurised into paying the additional premium. In these circumstances, while Ageas didn't follow the remedies set out in CIDRA, as I think Mr F was content to pay the additional premium (having secured a reduction through the goodwill gesture) then generally, as a Service, we wouldn't interfere.

I also considered the fact that Mr F having paid the additional premium meant his policy wasn't cancelled. Had Ageas offered the remedy under CIDRA of continuing the policy at the original premium and settling future claims proportionately this would potentially have meant the risk of significant costs falling on Mr F. Particularly given the ratio of the original premium to the revised premium being relatively low, meaning Mr F would have to bear a significant proportion of any claim costs, if it was a fault claim. In that scenario, Mr F would potentially be faced with very significant costs, far exceeding the additional premium he paid.

Taking all these points into account, I concluded Ageas didn't act unfairly or unreasonably in the specific circumstances of this case. So, I wouldn't ask them to take any further action.

Because I reached a different conclusion to our investigator, I issued a provisional decision to give both parties the opportunity to consider matters further. This is set out below.

What I've provisionally decided – and why

I've considered 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 Ageas have acted fairly towards Mr F.

The key issue in Mr F's complaint is Ageas adding the two notification-only claims recorded on the CUE database and then charging an additional premium. Mr F says the two claims shouldn't have been added to his policy as they were notification-only claims. Ageas say they were entitled to add the two claims, even though they were notification-only, as they affected their assessment of risk presented by Mr F and therefore the cost of providing cover. Mr F says he felt pressured into paying the additional premium to avoid policy cancellation.

At this point, I should note Mr F has made separate complaints about the two previous insurers who added the claims to the CUE database, which he says were added wrongly. Those complaints are the subject of separate investigation by this Service.

On the addition of the claims to the policy by Ageas, Mr F says he made no actual claims in respect of the two incidents recorded (he paid to repair his vehicle). While I appreciate Mr F believes this means he didn't make claims, and they shouldn't have been added to the policy by Ageas (and so affect his premium), that's a matter for Ageas (as distinct from whether the claims should have been added to the CUE database by the respective insurers). As the claims were recorded – but not declared by Mr F when he took out the policy – then it would be for Ageas to consider their impact on the policy and their assessment of risk. Insurers typically consider all claims recorded, including fault, non-fault and notification-only.

This approach is reflected in the questions Mr F was asked when taking out his policy (through a comparison website) which was (my emphasis):

"Have you had any motor accidents, claims or losses in the last five years?

This is regardless of who/what was at fault or if a claim was made or not. If you don't tell your insurer about previous accidents, claims or losses, your car insurance may not pay out if you make a claim."

So, I think it clear Mr F should have declared both incidents, even though he didn't make a claim and they were recorded as notification-only. While he thinks the two previous insurers were wrong to record them on the CUE database, that doesn't change the fact he should have declared them to Ageas. So, the information he provided was incorrect/inaccurate, which is why the discrepancy with what was recorded on CUE was identified through the policy validation checks.

Having concluded Mr F should have declared the two claims to Ageas, I've then considered whether they would have continued to offer the policy. From what happened it's clear they were prepared to continue the policy, but with an additional premium. That is, to continue the policy but on different terms. Ageas have provided details of their underwriting criteria, which show the impact of claims on their risk model. This supports the charging of an additional premium, so I'm satisfied they acted in accordance with their underwriting criteria in calculating an additional premium. While they were notification-only claims, they still reflected accidents/incidents that occurred (Mr F doesn't dispute they happened) and so affected Ageas' assessment of the risk presented by Mr F.

Coming back to the issue of misrepresentation, because Mr F didn't declare the two claims, then he made a qualifying misrepresentation under CIDRA, as Ageas would have offered the policy on different terms. I think the misrepresentation was careless rather than deliberate or reckless, as he genuinely believed he shouldn't have to declare them.

As a Service, we have published our approach to misrepresentation cases where a consumer has made a misrepresentation.¹ In this case, as I've set out, I've concluded Mr F made a qualifying, careless misrepresentation. In the circumstances where a careless, qualifying misrepresentation is identified and the insurer would have offered cover on different terms, specifically the option of paying an additional premium to continue cover, throughout the lifetime of the policy, as a Service we're only likely to think that's fair if the customer has understood this is optional and has agreed to it. CIDRA doesn't allow an insurer to pressure a consumer into paying an additional premium. In the circumstances, an

¹ <https://www.financial-ombudsman.org.uk/businesses/complaints-deal/insurance/misrep-and-non-disclosure>

insurer could cancel the policy or offer the alternative of the policy continuing but apply a proportionate settlement of any future claims.

Looking at the specific circumstances of Mr F's case, Ageas asked him to contact them about the two claims and explained that they would have to add them to the policy, which in turn would mean an additional premium. I can see Ageas issued a notice of cancellation, followed by a further notice, giving him some ten days' notice. This enabled Mr F to see if his previous insurers would agree to remove the claim(s) from the CUE database, so he could provide evidence of that to Ageas. Ageas told Mr F (correctly) they could not remove the claims from the CUE database themselves, only the insurers that put them on the database.

However, as the deadline for the cancellation was imminent. Mr F called Ageas to explain the position and seek to resolve the matter. Listening to the call (along with the notes of the contacts with Mr F leading up to the call) the call handler restates the position that an additional premium is due. But they don't provide the option (under CIDRA) to continue the policy but with any future claims settled proportionately). Nor - picking up one of the points raised by Ageas in their response to our investigator's revised view – do they explain that they would not have treated any cancellation as enforced and therefore not have had to be declared to future insurers.

Given the imminence of the cancellation (the day before it was due to come into effect) and listening to the call, Mr F was keen to reach a resolution, at least pending any change in the position regarding the two claims added by previous insurers to CUE. The call handler explains that they, both as the broker (A) and the insurer (Ageas), can't remove the claims – only the two previous insurers can do so. Mr F accepts this and then asks to pay the additional premium, asking if there is any 'wriggle room'. The call handler responds to say they are willing to make a goodwill gesture to reduce the additional premium by £50. The call also includes an indication that Ageas would reconsider the additional premium should one or wither (or both) of Mr F's previous insurers decide to remove one or either (or both) of the claims from the CUE.

Taken together, I'm not persuaded Mr F was genuinely pressurised into paying the additional premium, which he sounds content to do to resolve matters, at least pending any further developments in his case with previous insurers that they should remove the claims from CUE. Should that happen, then the indications from the call (and the final response that followed) are that Ageas would then remove the claims from the policy and reconsider the additional premium (and potentially reduce or refund it).

In these circumstances, while Ageas didn't follow the remedies set out in CIDRA, as I think Mr F was content to pay the additional premium (having secured a reduction through the goodwill gesture) then generally, as a Service, we wouldn't interfere.

I've also considered the fact that Mr F having paid the additional premium meant his policy wasn't cancelled (from the date it was taken out, that would suggest it is still active). Had Ageas offered the remedy under CIDRA of continuing the policy at the original premium and settling future claims proportionately (notwithstanding what Ageas have said about they would only continue to provide cover if the additional premium was paid) then - as Ageas stated in their reply to our investigator's view – this would potentially mean the risk of significant costs falling on Mr F. Particularly given the ratio of the original premium to the revised premium is relatively low, meaning Mr F would have to bear a significant proportion of any claim costs, if it was a fault claim. So, in that scenario, Mr F would potentially be faced with very significant costs, far exceeding the additional premium he's paid.

Taking all these points into account, I've concluded Ageas didn't act unfairly or unreasonably in the specific circumstances of this case. So, I won't be asking them to take any further action.

My provisional decision

For the reasons set out above, my provisional decision is that I don't uphold Mr F's complaint.

Ageas responded to say they accepted my provisional decision.

Mr F contacted us at the end of the period we asked for responses to the provisional decision, to say he had a problem with accessing his emails so hadn't seen the provisional decision. We sent Mr F a copy of the provisional decision by post, asking him to contact us with any comments or responses. A further fortnight having elapsed, without Mr F contacting us or providing a response, I think it reasonable to issue a final decision on this complaint.

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 Ageas have acted fairly towards Mr F.

As Ageas accepted the provisional decision and we haven't had a response from Mr F, then my final decision remains the same as my provisional decision, for the reasons set out in my provisional decision.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mr F's complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 19 January 2026.

Paul King
Ombudsman