

## **complaint**

Mr and Mrs K have complained about the decision made by AXA Insurance UK Plc to record claims against their home insurance policy on an external database.

## **background**

Although previously insured with AXA, Mr and Mrs K more recently took out a policy with another provider. That policy was cancelled when the insurer noted two instances of loss which it had not known about recorded on Mr and Mrs K's insurance records on an external database. Those entries had been added by AXA.

Mr K made enquiries and AXA informed him that it records all information on an external claims and underwriting database, which can be accessed by member insurance companies. As it says it had records of two claims made by Mr and Mrs K under their policy, in December 2011 and June 2012, these were duly noted on the database.

Mr and Mrs K dispute the fact that they registered two claims with AXA; they say they were only enquiries as to whether damage to their property would potentially be covered under their policy and that no claims resulted from those enquiries.

In its final response, AXA said that it was unable to remove the information from the database as it correctly reflected that losses had occurred and there was an intention to claim. It explained that on the database, the only cost registered to the first claim is that of a surveyor who visited the property to assess the damage. It also confirmed that the entry does not affect Mr and Mrs K's claims history.

The final response further confirmed that the second incident is recorded as having incurred no cost. Therefore, both incidents were recorded correctly. AXA also stated that the final response letter could be shown to Mr and Mrs K's current insurer in order to evidence details of the losses and also offered for its representatives to speak to Mr and Mrs K's new insurer to clarify matters as necessary.

Mr and Mrs K complained to this service that AXA never explained the implications of entries being registered on their home insurance record following enquiries made by them and they consider the fact that these are now registered on the database to be unfair.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It is the case that there are certain databases and information exchanges which insurers use to record and share data about losses, claims and other information about policyholders. It is common practice in the insurance industry that not only are claims that are paid recorded, but also instances of loss whereby claims are ultimately declined or otherwise do not result in payment. This information will be of interest to insurers when considering an application for insurance cover from a potential customer.

In the first case, the claim was ultimately declined as being caused by wear and tear (excluded under the policy) rather than an insured peril and the record on the database

reflects only the cost of the surveyor's assessment. In the case of the second record, this relates to damage to a pipe. A claim was set up and a reference number given, but it was then closed pending further enquiries that Mr K was going to make with a local plumber. In both cases, the records placed by AXA on the database reflect what happened and, therefore, I do not consider its decision not to remove the records to be unfair or unreasonable.

I do understand Mr and Mrs K's frustration that they feel that AXA should have been clearer about the claims process and the potential for records being placed on a database. However, I am satisfied that AXA has recorded the information accurately and has provided a detailed response to Mr and Mrs K's complaint which they can use when approaching the insurer who cancelled their policy or any future insurer. Therefore, I do not consider AXA to have acted unfairly or unreasonably in the circumstances.

**my final decision**

For the reasons give above, my final decision is that I do not uphold this complaint. I make no award against AXA Insurance UK Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs K to accept or reject my decision before 29 January 2015.

Helene Pantelli  
**ombudsman**