

complaint

Mr S has complained that AXA Insurance UK Plc has recorded a claim as a fault claim against his car insurance policy on the Claims Underwriting Exchange (CUE) database.

background

Mr S was involved in an incident with another driver which he says was the other driver's fault. Unfortunately Mr S said that the other driver drove away before Mr S was able to take the details of the registration plate – but he was able to give some details about the vehicle to AXA and the police.

AXA investigated the claim and was unable to trace the other driver. This meant it wasn't able to look to recover its costs for dealing with Mr S's claim from a third party. So AXA recorded the claim as a fault claim.

When AXA sent Mr S renewal documents it referred to the accident as being one that Mr S was to blame for.

Mr S was very unhappy about this as he said he wasn't to blame for the incident which resulted in his claim. But AXA said it had correctly recorded the claim in line with the policy and industry standard.

Mr S remained unhappy and asked us to look at his complaint.

Our investigator thought AXA had acted reasonably. But Mr S didn't agree. He wants AXA to acknowledge that the wording it uses is wrong, delete the record and apologise to him for the stress and trouble this issue has caused him.

As Mr S didn't agree, the case has been passed to me to decide.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I don't intend to uphold it. I'll explain why.

Mr S's policy says that AXA will record all incidents on a central database. CUE is used by most insurers to record all incidents and is designed to prevent fraud. CUE is a separate company and isn't regulated by the Financial Conduct Authority. AXA has provided details of how the claim has been recorded on CUE. It doesn't specify if the claim was a fault or non fault claim. But it records the costs of the claim and whether Mr S's 'no claims discount' was

affected by the claim. These are things that other insurers might look at (along with other factors) when deciding a premium based on a customer's claims history.

I understand Mr B is unhappy with the wording AXA has used on the policy documents it sent him. It says that Mr B was to blame for the incident. I agree that the terminology used across the insurance industry might be better worded by referring to claims as either 'recoverable' or 'non recoverable' when it comes to the costs of a claim. But it isn't for us to decide that. What we know is that the insurance industry recognises that the term 'fault' or 'non fault' doesn't necessarily mean the individual was at fault for the claim – but that a claim will be recorded as fault claim if the full costs weren't recovered from a third party 'at fault'.

I understand how strongly Mr S feels about the reference to the incident as being his fault and AXA's use of the word 'blame'. But I can't say that he's been treated unfairly by AXA as it's recorded the claim correctly in line with the industry standard. This is consistent with how it – and other insurers - would record a claim for any other customer where the costs couldn't be recovered, irrespective of the words 'blame' or 'fault' being used.

I realise Mr B will be disappointed with my decision. But I can't say that AXA has acted unreasonably. And this means I don't think it needs to do any more.

my final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 May 2019.

Geraldine Newbold
ombudsman