

complaint

Mr A has complained about CIS General Insurance Limited's logging of his enquiry on an external claims database. He maintains this has caused him distress and inconvenience.

background

Mr A called CIS in August 2013 to tell it about a possible claim. The school at the back of his property was building a new sports hall and in doing so it had dug up to his garage. He noticed cracks on his garage wall. During this call he informed CIS that he did not want to make a claim because he was contacting the local authorities who were responsible for the damage. He said CIS assured him that no record would be made against his policy about the information he had given it.

CIS subsequently recorded the call as a "subsidence" notification on an external claims database.

A couple of weeks later, Mr A's brokers informed him that CIS "*are not prepared to offer renewal ... unless the claim is dealt with by themselves*". When he queried this with the broker, it explained that CIS would only renew the policy if it was allowed to inspect the damage so it could assess the risk in continuing to cover Mr A.

Mr A told his broker that there was no subsidence issue at his property. He then complained to CIS about how it handled his notification.

In its final response letter CIS confirmed:

- The incident was recorded as notification and not a claim
- The incident would have no bearing on his future premiums
- It should not have any impact on his ability to find alternative insurance
- It had changed the notification type from 'subsidence' to 'accidental damage'

Mr A made a complaint to this service about CIS's logging of a 'claim' that it had assured him wouldn't be recorded as such and the fact it hadn't told him it had done so. He was also unhappy that it had taken him a lot of time and effort to get matters corrected. Our adjudicator investigated the complaint and recommended that it be upheld. He thought that CIS was unreasonable in recording the notification as 'subsidence' considering that it had little evidence of the damage and that there were potential consequences of doing so for Mr A's buildings insurance. He recommended CIS pay Mr A £100 for the distress and inconvenience its actions had caused him and also provide him with a 'screen shot' to prove that the notification had been changed from 'subsidence' to 'accidental damage'.

CIS agreed to our adjudicator's recommendations.

Mr A explained that he was willing to accept the £100 but also wanted the notification completely removed from the external claims database. Mr A said that the policy clause that permits CIS to pass data to external registers is hidden in the middle of the policy document. He has explained that he considers this clause to be misleading. Mr A asked for his complaint to be referred to an ombudsman.

my findings

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

CIS has accepted that it caused Mr A distress and inconvenience as a result of it logging his notification as subsidence. It has agreed to pay him £100 for doing so and I think that this is fair and reasonable in the circumstances. It has also agreed to provide Mr A with a screen shot from its systems which shows that the entry on the external claims database has been rectified.

Mr A wants the notification removed from the database altogether, however, the entry is now factually correct and I can't find that CIS has acted unfairly in logging the notification as accidental damage. It is not logged as a claim, just as a notification as permitted by the policy terms and conditions. I accept that Mr A thinks that the clause in the policy document permitting the referral of information to external databases is an onerous or significant one, however, I am unable to agree; it is my view it is quite standard to most home insurance policies.

Insofar as Mr A's complaint is about the processes and regulation of insurers referring complaints to external databases, this would be better directed to the Financial Conduct Authority which is the industry regulator. I am afraid this service has no power to investigate such matters.

my final decision

My final decision is that I uphold this complaint and I require CIS General Insurance Limited to pay Mr A £100 for the distress and inconvenience it caused him. It should also provide him with a screen shot to demonstrate that the entry on the database has been changed to show it as a notification of accidental damage.

I make no further award.

Claire Woollerson
ombudsman