

## **complaint**

Mr R complains that AXA Insurance UK Plc should remove the enquiry he made, when he had a leak in his property, from his claim history, as he did not make a claim. He contends that he is unable to find insurance, except at a much higher premium.

## **background**

The circumstances of this complaint were set out in my provisional decision of April 2012, a copy of which is attached and forms part of this decision.

I summarise Mr R's reply to my provisional decision as follows:-

- He trusted AXA with the information concerning his claim and had no reason to doubt it.
- He had the repairs carried out at his own expense.
- He found out the information was wrong when he came to renew his insurance many months later.
- He now finds himself in a bad situation as has to explain the whole story to any new insurer. He feels that any reference to it, non claim or otherwise should be deleted from the records.

AXA did not accept my decision. In summary their reply was:

- The entry on the CUE database was in fact amended to one of notification only (the closest to "enquiry only" available on the system).
- It was advised that the leak was from an underground pipe. Its appointed engineer could not locate such a leak. The leak was actually from a split U-bend pipe but this was not advised until after the fact.
- It acted on information given to it by Mr R. Once the leak had been found it cannot understand why Mr R did not contact it in relation to the resulting water damage.
- It does not consider that Mr R has been put to any distress and inconvenience.

## **my findings**

I have reconsidered all of the evidence and arguments from the outset in order to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusions as set out in my provisional decision – and for the same reasons. I do not propose to repeat the findings in my provisional decision but would like to comment further on the responses received from Mr R and from AXA.

I accept that the change of the entry on the database to one of 'notification only' is sufficient. However the fact that the entry had been changed from 'claim' was not evident from AXA's file or responses to this service. I do not consider it reasonable to remove all reference to the incident altogether. AXA is entitled to put an entry on the database where it is notified of an insured 'loss' whether or not it eventually paid for it.

I can understand Mr R's frustration but I do think that AXA have now provided an appropriate response.

The essential point of this case, which AXA recognises, is that it is difficult for a layman to know where a leak is coming from. I accept that AXA did send out a drainage company. However it would have been clear that there was a leak and AXA took no steps to chase this up once it had the report from that company. My view is that someone with sufficient expertise should have been able to identify the source of the leak.

I therefore maintain my view of the service provided to Mr R. I will direct AXA £150 compensation.

**my final decision**

I direct AXA Insurance UK Plc to pay to Mr R £150 compensation for the distress and inconvenience caused to him by its handling of his claim

Ray Lawley  
**ombudsman**

## **PROVISIONAL DECISION**

### **complaint**

Mr R complains that AXA should remove the enquiry he made, when he had a leak in his property, from his claim history, as he did not make a claim. He contends that he is unable to find insurance, except at a much higher premium.

### **background**

Mr R called AXA to make an enquiry about a leak. He thought it may be from underneath the floor, but he didn't know, and needed a professional to look at it. AXA sent out a drainage company to look at it who said the leak was not from underground and therefore they could not do anything, Mr R had the leak repaired himself; this was found to be a leak from the U bend behind the washing machine.

AXA recorded the incident on its claims history and also a monetary sum. Mr R's policy premium increased as a result of it; however he complains he did not make a claim. AXA apologised for recording a monetary value on the claim and changed it to zero, therefore if anybody looked at it they would know no claim was made.

The adjudicator did not recommend that this complaint should be upheld. She was satisfied that AXA had now recorded it in the correct way and irrespective of whether a claim was made or not, AXA was entitled to record it as an incident on its central records.

Mr R has not accepted the adjudicator's findings. He says the person sent out to investigate the problem was qualified in finding underground leaks only and therefore AXA should not record anything as he did not make a claim.

### **my provisional findings**

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

I have considered in particular the telephone calls between Mr R and AXA. My understanding of those calls is that:

- AXA should have followed the matter up when it received the report from the drainage company to find out the cause of the damage.
- That damage may have been covered, unless it was caused by dry rot
- It was impossible to ascertain the cause of the damage by the time of the subsequent phone call, some seven months after the initial claim, as the repairs had been carried out.
- The claim would not be recorded as such and Mr R's no claims discount would not be affected.

In a subsequent e-mail AXA has clarified that *"Given the circumstances we agreed to have the claim changed to enquiry only as only the suppliers fee had been paid...I have asked*

*that this is chased as I note the CUE system is still showing 'claim'; however AXA do not administer the database.."*

Mr R's complaint was I believe made because he had an increase in his premiums. His telephone conversations both with AXA and the adjudicator indicate that he has been unable to get insurance except at a much higher premium

I consider that Mr R did get a poor service from AXA. I think it likely that if, as it indicated it should have done, AXA had chased up the matter after the drainage company's report, his claim would at least have been considered. I have some sympathy for Mr R when he states that he was not an expert and it would have been unreasonable to expect him to know where the leak was coming from. Nevertheless, I note that Mr R does not wish to pursue the claim.

The clear agreement from the telephone calls is that Mr R's no claims discount would not be affected, and that the 'claim' would be registered on the database (including the external CUE database) as an enquiry. My understanding is that neither of those things has happened. Whilst the CUE database is independently administered, it can only reflect what the insurer asks it to. I cannot say whether registering it as an 'enquiry' rather than a 'nil claim' would make any difference to the premiums Mr R would have to pay, but I do consider that AXA should ensure that the claim is registered as an enquiry rather than a claim.

I further consider that AXA should pay compensation to Mr R for distress and inconvenience caused to him by its poor handling of his claim. I propose to direct a payment of £150.

#### **my provisional decision**

I propose to direct AXA to:

amend the registration of Mr R's claim to one of 'enquiry' on all internal and external databases

pay compensation to Mr R of £150

Ray Lawley  
**ombudsman**