

## **The complaint**

Mr O complains that Saga Insurance Services incorrectly recorded a claim against his policy when he hadn't made a claim. He says this impacted the cost of his insurance and his no-claims discount.

## **What happened**

Mr O had insurance for his car arranged by Saga. On 6 October 2022 he called Saga to report that his car had been damaged overnight in an attempted theft. He said there was a crack to the glass on the passenger side window, as if someone had tried to break it. And there were scratches on the car which hadn't been present when he parked it.

During the call Mr O told Saga that the car was already at a garage, as when he'd driven it that morning, the battery warning light was flashing and it had broken down. He wanted to know if Saga would provide him with a replacement car while his was being repaired. He was told they could arrange to move the car to an approved repairer, who could provide a courtesy car while his was being repaired. But they'd only cover the breakdown if it was related to the attempted theft.

Mr O told Saga he didn't have time to go through all the details to register his claim, and he was to call them back later to do this. But he didn't do this.

Mr O has told us that he never made a claim on his policy. He says he only called Saga to enquire about his damaged window. And he only became aware that a claim had been recorded against his policy when he was changing his car, and the premiums he was quoted had increased considerably.

On 16 December 2022 Mr O notified Saga that he wanted to cancel his policy. This was done effective from 17 December 2022. When Saga wrote to Mr O to confirm the cancellation of his policy, they confirmed that his No Claims Discount (NCD) hadn't been affected.

Mr O raised a complaint about an increased premium when he changed his vehicle. And that when he called them on 16 December 2022, the claims handler he spoke to refused to provide their surname.

Saga spoke to him about his complaint on 23 January 2023 but weren't able to resolve it over the telephone. During this call Mr O said his main concern wasn't the increased premium, it was the claim recorded on his policy. A final response letter was sent to him on 24 January 2023.

Saga didn't uphold the complaint about Mr O's increased premium as they said this had been correctly calculated. But they upheld the part of his complaint about the call on 16 December 2022. They said their call handlers weren't obliged to give their surnames, but the handler had said she'd provide her staff ID number. They apologised that the ID number then wasn't provided and awarded Mr O £25 compensation for this. Although the cheque was returned to them as Mr O had moved.

Saga said their system had been amended to record the claim as 'incident only', but as a reported incident it needed to remain on file. And they said his insurers would contact him to explain why a claim had been recorded.

On 27 February 2022 Saga received an email from Mr O and they responded the same day confirming his NCD was eight years and, as the incident had been recorded as information only, this hadn't been affected.

Mr O wasn't happy with Saga's response and complained to our service. Saga confirmed to our investigator that they recorded the incident as attempted theft, as this is what Mr O told them during the call on 6 October 2022. This was changed on 17 December 2022, after he requested the policy was cancelled, to information only. And his premium wasn't affected because there was no renewal between the date of the incident and the cancellation of the policy. And the claim had been removed from the Claims and Underwriting Exchange (CUE) database so wouldn't be visible to other insurers.

Our investigator considered the case but didn't uphold Mr O's complaint. He said that having listened to the call Mr O made to Saga on 6 October 2022 he was satisfied that he'd reported an attempted theft, so it was reasonable for Saga to record a claim. And when he notified them that a claim wasn't being pursued they'd updated their records according and removed the claim from the CUE database.

Our investigator was satisfied that Mr O's premium and NCD weren't impacted. In relation to the increased premium when he changed insurers he said this could have increased for a number of reasons and Mr O would need to contact his new insurer about this.

Mr O didn't accept our investigator's opinion as he maintains that he never reported an attempted theft to Saga.

The case has now come to me for a decision.

### **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.

I'm considering Mr O's complaint about Saga who arranged his motor insurance with one of their panel of insurers. So I'm only able to consider the actions of Saga and how they impacted on Mr O. I can't consider any underwriting decisions made by the insurers. If Mr O wishes to raise a complaint about the insurers he'll need to contact them. And in relation to the cost of his current policy, raise this with his new insurers.

The basis of Mr O's complaint is what was said during the call he made to Saga on 6 October 2022. He says he made no reference to the attempted theft of his car, and that all that has happened is as a result of Saga wrongly recording the information he gave them.

I've listened to the call of 6 October 2022 and Mr O told Saga that he thought someone had tried to break into his car and it had been damaged. There was a discussion about whether a subsequent battery problem and breakdown would be covered by his policy and whether Saga could provide a replacement vehicle, while his car was being repaired.

Mr O was told he'd need to provide full details of the incident to Saga's claims team. He said he didn't have time and would call back to do this. He didn't call them back to go through the claims process. But based on the conversation he had with Saga I think it was entirely reasonable for Saga to record a claim for attempted theft.

So what was the impact of this for Mr O? Saga have confirmed that there was no impact on Mr O's premium in the period from him notifying them of the attempted theft and him cancelling his policy on 16 December 2022.

And once he cancelled his policy and confirmed he wasn't pursuing a claim, they changed the status of the claim to 'information only' and removed any reference to the claim from the CUE database. They also confirmed to Mr O in writing on 17 December 2022 that he had eight years NCD and this hadn't been affected. These are the steps I'd expect them to take, so I won't be asking them to do anything else.

Mr O has said Saga apologised for the mistakes they made relating to the recording of his claim. This isn't correct. While they did apologise in their final response letter, this was for their call handler not providing her ID number to him during the call on 16 December 2022. I think the £25 compensation they offered him for this was reasonable, and if he wishes to accept this he can let them, or us, know.

As I've said above I'm only considering Mr O's claim against Saga, so I can't comment on any decisions made by the underwriters of his policy regarding his premium. But I remain satisfied that Saga correctly recorded the information Mr O provided during the call on 6 October 2022 as a claim.

### **My final decision**

For the reasons set out above my final decision is that I don't uphold Mr O complaint about Saga Services Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 28 August 2023.

Patricia O'Leary  
**Ombudsman**