

The complaint

Mr H complains that EUI Limited (EUI) unfairly recorded claims that have increased his premiums, and recorded incorrect account information, under his home buildings insurance policy.

What happened

Mr H says he's made claims under his policy that were never processed by EUI. He says these claims should be removed from his record. In addition, he says EUI had the wrong payee details, which differs to the account holder on his policy. Because of this Mr H says EUI should reimburse the premiums he's paid since 2019 in line with the direct debit guarantee scheme.

Mr H says because EUI refused one of his claims this has meant living without electricity.

In its complaint response dated 31 July 2023 EUI says Mr H had a successful claim in June 2022 for the theft of a pedal cycle for which it paid out £200. It says he reported two further incidents in October 2022 and June 2023. The first was for damage to a garage floor due to an oil spillage. The second related to a power breakdown. EUI says it considered the claims, but they weren't covered under Mr H's policy.

In its subsequent complaint response dated 7 September 2023 EUI acknowledged the incorrect payee was recorded on Mr H's policy documents. It apologised for this error and sent a cheque for £40 as compensation.

Mr H didn't think he'd been treated fairly and referred the matter to our service. Our investigator didn't uphold his complaint. He says the records show the claims were investigated. Those that were declined were done so in line with Mr H's policy terms. Our investigator says Mr H benefitted from insurance cover from 2019. He didn't think there was reason for EUI to refund his premiums.

Mr H disagreed with this outcome and asked for an ombudsman to consider his complaint.

It has been passed to me to decide.

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.

Having done so I'm not upholding Mr H's complaint. Let me explain.

Mr H doesn't dispute that he made a claim relating to a pedal cycle in 2022. He confirms that he was required to pay his policy excess. EUI says it paid Mr H £200 in relation to this claim. Based on this information I can't see that the business did anything wrong. Where a claim results in a cost for an insurer it will record this against its insured's policy. It should ensure this is recorded accurately. But I haven't seen anything that shows it wasn't recorded accurately in Mr H's case.

I note Mr H's comments that his claim in October 2022 was for damage to his driveway and not his garage floor. I've looked at the records EUI provided about this incident. It says Mr H had no accidental damage cover in place at the time, so it declined the claim for this reason.

I've read Mr H's policy terms and conditions. This says accidental damage cover is optional and this will be shown on the policy schedule if selected. I've read Mr H's policy schedule. He didn't have accidental damage cover selected. Based on this evidence I don't think Mr H's shown that EUI treated him unfairly when declining this claim or for recording it as it did.

I can see that EUI arranged for an inspection of the damage for Mr H's claim in June 2023. This was for damage to his electrics. The assessor found a flat roof had started to breakdown allowing moisture to enter the property affecting the electrics. The report says this is the result of a natural breakdown of materials and isn't associated with an insured cause.

The assessor reported an unknown defect for the electrical problem for the areas internally that weren't identified to be damp. The report says an electrician is required to ascertain the cause of the damage. But the assessor concluded there was no cover in place under Mr H's policy to pay for repairs.

I can see from the claim records that Mr H was told he would need to obtain his own electrician's report.

I've looked at the information Mr H received from the electrician he employed. This is limited to an invoice for work completed in August 2023 that cost £78. There's no further detail to show what the work entailed or what the cause of the problem was. I think EUI acted reasonably when sending an assessor to inspect the damage. But Mr H hasn't provided an electrician's report that shows he suffered an insured loss. Based on this evidence I don't think EUI treated him unfairly when declining his claim.

EUI has shown that the first claim was recorded with a cost of £200. The second claim was recorded as an incident only. No cost was recorded against this claim. The third claim was recorded as claim declined with a cost of £149.40 for the inspection report. Based on what I've read this information is recorded correctly.

I've thought about Mr H's comments that EUI should reimburse all his premiums dating back to 2019. This is because of an incorrect payee that was recorded on his insurance documents.

I can't see that Mr H has suffered a financial loss as a result of this error. He contacted EUI and it made the correction. This caused him some inconvenience, which the business acknowledged by apologising and paying him £40. I think this was fair.

Mr H refers to the direct debit guarantee scheme in his complaint. But I can't see why this would require EUI to refund his premiums back to 2019. The guarantee ensures a consumer can receive an immediate refund where a payment is taken in error or as a result of fraud. I can't see that this applies here. Mr H benefitted from the insurance cover EUI provided. He's required to pay his premiums as per his agreement with the business.

Having considered all of this, I don't think EUI treated Mr H unfairly when relying on its policy terms to decline two of his claims and settle the other in the way it did. I think it's fair that it paid £40 compensation for its clerical error. But Mr H hasn't shown why he should receive a refund of his premiums, so I can't reasonably ask EUI to do anymore.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 11 December 2023.

Mike Waldron
Ombudsman