



Case study: Insurance

NO EVIDENCE THAT VEHICLE INSURANCE PREMIUMS WERE AFFECTED BY AN OLD CLAIM

Themes: Inadequate policies and procedures; data retention policy; vehicle insurance and brokerage

This complaint related to vehicle insurance premiums that the complainant believed were affected by an old insurance claim and an allegation that documentation relating to that old claim had been inappropriately destroyed rather than retained to satisfy her query.

Ms C, using an insurance broker, had obtained a vehicle insurance policy sometime between 2000 and 2009. She later switched the insurance policy through her broker to an alternative provider from 2011 until 2018 when the policy was cancelled.

In July 2019 Ms C asked her insurance broker to provide a full historical list of claims made on her vehicle insurance policies. Upon receipt of this list Ms C believed a successful claim was missing from the list. According to Ms C, it was made against her policy in 2002 and the insurance company had destroyed documents relating to this incident which resulted in Ms C having to pay higher premiums. The insurance broker said that it only held documents for up to six years. It contacted the two underlying insurance companies to obtain further details, but the insurers also no longer held claims records from that time.

Ms C felt that the broker should have retained this data for longer, especially because she had switched her insurance provider in 2011 and had made a complaint requesting repayment for the excessive premiums that she felt she had paid because of the 2002 claim.

The insurance broker told Ms C it was not required to hold records for longer than six years and did not feel that a refund of her insurance premiums was an appropriate resolution to her complaint.

CIFO investigated and noted that according to the local data protection regulations, firms were only required to retain records for a period of six years. CIFO found that as both underlying insurance companies had provided services longer than the required six-year data retention period, it was unreasonable to expect them to have kept documents relating to the 2002 claim incident. CIFO also found that several local insurance brokers offered vehicle insurance policies based on the previous five years driving record and therefore noted that Ms C's premiums may not have been affected by the 2002 incident. CIFO did not see any evidence to indicate that records were being withheld from Ms C. CIFO referred Ms C to the local data protection authority and advised her to contact them if she had concerns regarding the broker or the insurance companies' data retention obligations. CIFO did not uphold the complaint.