

## **The complaint**

Mr W complains that Haven Insurance Company Limited unfairly declined his claim on a motor insurance policy.

## **What happened**

The subject matter of the insurance, the claim and the complaint is a sporty car made by a premium-brand car-maker and first registered in 2018.

Mr W acquired the car in May 2021.

For the year from March 2023, Mr W took out an insurance policy with Haven to cover the car.

In late January 2024, Mr W parked the car and went abroad.

In March 2024, the Haven policy expired.

On about 20 May 2024, police recovered the car with serious damage, and with its spare key. Mr W was still abroad.

On his return on 24 May 2024, Mr W reported that someone had stolen the car. He told Haven that there was evidence that the theft had been in early February 2024 (before the Haven policy expired).

Much of the complaint is about acts, omissions and communications by claims-handlers and others on behalf of Haven. Insofar as I hold it responsible for them, I may refer to them as acts, omissions and communications by Haven.

Haven interviewed Mr W. By a letter dated early June 2024, Haven declined his claim, saying he'd left the spare key in the glove compartment of the car.

By an email dated late June 2024, Mr W said that the spare key had been in his room. Haven treated that as a complaint.

By a final response dated 6 August 2024, Haven turned down the complaint, saying Mr W had been using the vehicle for a purpose he was not insured for.

Mr W brought his complaint to us in mid-August 2024.

Our investigator didn't recommend that the complaint should be upheld. She referred to Consumer Insurance (Disclosure and Representations) Act 2012 ("CIDRA"). She thought that Haven had acted fairly and reasonably and in line with the legislation.

Mr W disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. He says the following:

*"If I have my parents address as my risk address, then it's what I believed would have to put in the relevant box for that information. In no way would I try to misrepresent/mislead on purpose. I'm an honest person and would have filled out my insurance honestly, a mistake was made clearly and it has now left me in huge financial hardship that is affecting me emotionally and mentally.*

*There is still no answer or attempt to inform me as to where MY car is from the insurance company apart from at [vehicle salvage company] ???"*

### **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.

From what he has said, Mr W acquired the car in May 2021 subject to a finance agreement. That required him to make instalment payments for about four years.

When he took out the policy in 2023, Mr W gave his address as his parents' home. He was serving in the armed forces and I accept that he couldn't give the address of the barracks where he was based.

However, Haven sent Mr W a statement of fact document that recorded a question as follows:

*"State the address at which the vehicle is normally kept"*

The statement of fact also recorded Mr W's answer to the effect that the vehicle was normally kept on a public road at his parents' address. From what he has said, Mr W was not normally keeping the car at his parents' address. I consider that he failed to take reasonable care not to make a misrepresentation to Haven.

Indeed, I can't avoid the conclusion that Mr W made a reckless or deliberate misrepresentation that the car was normally kept at his parents' home. As Haven had asked him where the car was kept, he ought reasonably to have known that this was relevant to the insurer.

Haven didn't give that as a reason for not paying the claim. And Haven didn't say that the policy was void.

Nevertheless, I consider that there was a qualifying misrepresentation which would've been a fair reason for Haven to decline the claim (and treat the policy as void) in line with CIDRA. That's one reason why it wouldn't be fair and reasonable for me to direct Haven to pay the claim for theft of the car from the barracks.

The insurance policy information document ("IPID") included the following:

*"What is not insured?*

*...*

*Using the car for a purpose not specified in the certificate or policy schedule*

*...*

*Theft of your car if your keys have been left in or on it*

*...*

*Are there any restrictions on cover?*

*...*

*You are covered for social, domestic and pleasure use only unless you have requested an additional class of use, such as commuting or business use."*

The certificate included the following:

*"7 Limitations as to use*

*Use for social, domestic and pleasure purposes only. Excluding use by any person for the purpose of travelling to and from their place of work or business, use for the purpose of any profession..."*

From the IPID and the certificate, I find that it was clear that the policy didn't cover Mr W for any use other than social, domestic and pleasure purposes ("SD&P"). The policy didn't cover Mr W for travelling to and from his place of work.

In early 2024, Mr W was living and working at a military barracks. Mr W told Haven that the last time he used the car was in late January 2024, when he drove it to and parked it at the barracks from which it was later stolen.

After the interview, Haven thought that Mr W had probably left the spare key in the car. It also noted at that stage that he was only covered for SD&P. At first, Haven declined the claim on the ground that Mr W had left the key in the car. However, from what I've seen, he later persuaded Haven that someone had used a master key to get into his locked room and to take the spare key from there.

Haven then declined the claim on the ground that Mr W had no cover for the purpose for which he'd been using the car. I can understand that Mr W considered that Haven was seeking an alternative reason not to pay his claim.

However, Mr W had given Haven no indication before the claim that he lived at the barracks or normally kept the car there. So I consider that it was fair for Haven to regard the barracks as his place of work. So I consider that it was fair for Haven to regard Mr W's last journey in late January 2024 as use of the car by Mr W for the purpose of travelling to his place of work.

That's another reason why it wouldn't be fair and reasonable for me to direct Haven to pay the claim for theft of the car from the barracks.

The Financial Ombudsman Service is bound by the Financial Conduct Authority's dispute resolution rules. One rule is that, before we can investigate a consumer's complaint against a firm, the consumer must first have made that complaint to the firm and waited for up to eight weeks for a final response.

It sometimes happens that, after a complaint and a final response to that complaint, the consumer brings the complaint to us and adds further points of complaint. The rule means that we deal with the initial complaint but can't usually deal with the additional complaint unless and until the consumer has made that complaint to the firm.

Another rule is that we have to operate a two-stage process under which an investigator gives an opinion and, if necessary, an ombudsman gives a final decision.

I haven't seen enough evidence that Mr W complained to Haven (in his email of late June 2024 or otherwise) that it had failed to tell him the location of the damaged car or what would happen to it. So, in line with the rules, our investigator didn't give an opinion on that complaint, and I can't include it in this final decision. What I will say is that Mr W may like to check whether he or the finance company is the owner of the damaged car.

However, looking at the complaint that Mr W made to Haven in late June 2024, I've found that it wouldn't be fair and reasonable for me to direct Haven to pay the claim for theft of the car from the barracks. So I don't find it fair and reasonable to direct Haven to do any more in response to this complaint.

### **My final decision**

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Haven Insurance Company Limited to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 24 February 2025.

Christopher Gilbert  
**Ombudsman**