

## **The complaint**

Mr H complains about how One Insurance Limited (“One”) avoided his motor insurance policy (treated it like it never existed) and wouldn’t pay his claim for the theft of his van and tools.

## **What happened**

Mr H had a motor insurance policy with One covering his van. He took the policy out via a broker he’d arranged his insurance with before. The policy with One started in October 2023.

In August 2024 his van was stolen. He contacted One and made a claim.

One declined his claim and told him it was voiding his policy back to the start date.

It said he’d failed to disclose his correct occupation at the time his policy renewed. It said this information was set out in the renewal documents, which told Mr H of the importance of ensuring the information was correct. One said the evidence it had found was that Mr H was unemployed, rather than working in his disclosed occupation as a self-employed gardener.

As its underwriting criteria meant it wouldn’t have offered cover if it knew Mr H was unemployed, One considered this a qualifying misrepresentation and it avoided his policy, declined his claim. It refunded his premium as it believed his misrepresentation was careless, rather than reckless or deliberate.

Mr H remained unhappy and brought his complaint to this service. Our investigator looked into but didn’t think it would be upheld. They thought Mr H had been careless in not telling One about being unemployed.

Mr H didn’t agree with the view. He says he doesn’t understand what an “unacceptable occupation” is and he said he’d only paused his business to recover from surgery in late 2022. He wants One to reinstate his policy and pay his claim. He also asks for compensation and his record to be cleared of the policy cancellation.

As Mr H didn’t agree, this matter has been passed 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.

Having done so, I’m not going to uphold Mr H’s complaint, and I’ll explain why as I do appreciate this decision will be distressing for Mr H.

The starting point here is the Consumer Insurance (Disclosure and Representations) Act 2012 (“CIDRA”). This requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy). The standard of care is that of a reasonable consumer.

If the consumer fails to do this, the insurer has certain remedies provided the misrepresentation is – what CIDRA describes as – a qualifying misrepresentation. For it to be a qualifying misrepresentation, the insurer must show it would have offered the policy on different terms or not at all if the consumer hadn't made the misrepresentation.

CIDRA sets out a number of considerations for deciding whether the consumer failed to take reasonable care. And the remedy available to the insurer under CIDRA depends on whether the qualifying misrepresentation was deliberate or reckless, or careless.

One says Mr H failed to take reasonable care not to make a misrepresentation when he didn't tell it he was unemployed. I'll explain that Mr H used the same broker, and his policy was renewed via that broker, but was placed with One from 2023.

When he took out cover via the broker, he was asked a number of questions, including his occupation, and One used this information, along with the responses to its other questions, to evaluate the risk of the policy.

When the policy with One started in 2023, the information Mr H had provided was detailed in the policy documentation he was sent. And it's his responsibility to ensure this is correct.

I have looked at the renewal documents Mr H was sent in 2023. It says:

*"It is your responsibility to ensure that the information you've provided is correct. Any errors could result in your insurance premium being increased or a claim rejected or only partially paid at a later date."*

On the Statement of Facts, Mr H's "Main occupation" is shown as "Landscape Gardener".

And on the renewal invitation it says a change of occupation is an example of what One would need to be told about:

*"Examples of material information that should be disclosed to us includes but not limited to:*

*A change in the occupation of any driver."*

I'm satisfied the renewal information he received was clear – it was Mr H's responsibility to ensure the details on his policy were accurate.

His policy information showed that he was self-employed as a landscape gardener, which was obviously acceptable to One. But, in 2022 Mr H had surgery that meant he wasn't working in the role he'd said. He'd also closed down his business bank account. When he called One to report his claim, he told it he hadn't worked since 2022.

This meant One thought Mr H should be dealt with as unemployed.

It seems to me that Mr H wasn't working at the time he renewed his policy and then made a claim. What this means is, the information he'd given about working when he renewed his policy wasn't accurate, and I think One has fairly decided he was unemployed.

One sent this service evidence it wouldn't have accepted the risk had it known Mr H was unemployed at the time the policy renewed. This is commercially sensitive information and I'm not able to share it, but I'll mention it's part of a list of considerations One has when it's underwriting policies. It's clear One would not have accepted Mr H on cover if it'd known about his employment status.

It follows I think Mr H's representation was a qualifying one, and from then the outcome is led by CIDRA. One accepted that Mr H had acted carelessly rather than recklessly, and I agree this is fair.

What CIDRA then says is that One can avoid Mr H's policy from its inception. What that means is that it doesn't have to deal with Mr H's claim for the theft of his van, but it must return Mr H's premium to him, and I understand it's done this.

In later correspondence with this service Mr H has asked if he's able to pursue his claim in court, and he is free to do so.

Mr H also talked about being discriminated against by One on the grounds of his disability. I've thought about this and I can confirm that, having looked at One's underwriting criteria, One wouldn't have accepted Mr H on cover due to his occupation.

I recognise Mr H will be disappointed with this outcome, but I don't uphold his complaint and I'm not going to ask One to do anything else.

### **My final decision**

For the reasons set out above, I don't 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 10 April 2025.

Richard Sowden  
**Ombudsman**