

The complaint

Mr C complained that Haven Insurance Company Limited declined his claim under his motor insurance policy.

What happened

Mr C's car was stolen and he claimed under his policy. Haven declined his claim because they said he hadn't disclosed his second occupation when he took out his policy. Haven said that if Mr C had told them his second occupation they wouldn't have insured him at all. They didn't avoid or cancel his policy as it was about to lapse, but they did not refund his premiums.

Mr C said he didn't think he had a second occupation, and that's why he didn't disclose it. He wanted Haven to pay his claim.

The investigator recommended that Mr C's complaint should be partly upheld. She thought Mr C had made a misrepresentation and so Haven hadn't acted unreasonably in declining the claim, but that Haven should refund the premiums as it was a careless misrepresentation only. Mr C didn't agree, and I was asked to decide. I provisionally decided to uphold the complaint and issued my provisional decision on 7 May 2025. Mr C accepted it, but Haven didn't. I deal with their comments below.

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.

In my provisional decision I said as follows:

“As the investigator explained, the relevant law is The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). It says a consumer needs to take reasonable care not to make a misrepresentation when taking out an insurance policy.

If a consumer doesn't take reasonable care, the insurer can take certain actions as long as the misrepresentation is a qualifying one and was deliberate or reckless, or careless. CIDRA sets out a number of considerations for deciding whether the consumer failed to take reasonable care.

So I must consider whether Mr C took reasonable care not to make a misrepresentation, and whether that misrepresentation was a qualifying one. To do so I've looked at the information from both Mr C and Haven. I must also decide if Haven's actions were in line with CIDRA.

Mr C applied for the policy online via a broker website. Haven said that's where he made the misrepresentation. Haven said Mr C didn't take reasonable care because he gave his occupation there as self-employed roof tiler, and didn't disclose that he had a second occupation as a semi-professional footballer. Haven only found this out after Mr C made his claim. Haven said they wouldn't have insured him if they'd known that. Haven have shown us underwriting criteria to confirm that, and also that they wouldn't insure a non-professional

footballer.

It is not in dispute that Mr C played football for a club. Mr C accepts that he didn't tell Haven that. But he said that was because he didn't think that was an occupation, but only a hobby. He thought that his only occupation was that he worked full time as a self-employed roof tiler. After he claimed, Haven asked him about his football role. He explained that it was a weekend hobby and he didn't get paid, but he would receive small sums such as £10 for scoring a goal and other minimal amounts to cover travelling expenses to away games. He's been honest and consistent with Haven about that in his calls with Haven, whose recordings I've listened to.

It is notable that the football club's management confirm that Mr C was not employed by them or by the club. The club's chairman has confirmed that it is an amateur football club, whose players are volunteers, don't receive financial support, and are not employed. The club's manager has confirmed that any small goal incentive and travel expense amounts Mr C received were made from that manager's own pocket.

I've looked at the questions Haven's broker's website asked of Mr C when he applied for the policy. Haven couldn't provide a copy of Mr C's actual answers but have showed us what questions the broker website asked. I've looked to see if those questions were clear. And I've considered what a reasonable consumer would have done in the circumstances, taking reasonable care not to make a misrepresentation when answering those questions.

The website said:

"Employment status" and next to this was an "i" for information logo which, if clicked on, said "Whether you are in paid work, volunteering, studying or other activities, we use what you do to help work out your insurance quote."

This was followed by "What is your main occupation?" Another information logo next to it if clicked on, referred to a box headed "Main occupation" which said "Please select the job title in which you work the most amount of hours".

Later it asked "Do you have another occupation" followed by "What is your other occupation?" Another "i" logo next to that, if clicked on, showed an information box which stated "For example, this could be a part time occupation or charity work".

These questions and the information given about how to answer them are all cross-referential and use the same terms - occupation, work and job. I don't think they are sufficiently clear to alert a reasonable consumer to what Haven meant by occupation.

So I don't think that Haven have shown that they asked Mr C a clear question about that. And so I don't think it's fair for Haven to decline Mr C's claim on the basis that he failed to disclose his footballing as a second occupation.

Taking all of the above into account, I think that Mr C did take reasonable care not to make a misrepresentation. This means that he hasn't made a qualifying misrepresentation. It follows that Haven has no remedy under CIDRA and shouldn't have declined his claim. Haven should put Mr C back in the position he'd have been in. So I think Haven should reinstate his policy and consider his claim in line with its terms and conditions.

When an insurer cancels a policy, we would normally expect them to remove the cancellation from internal and external databases. However here Haven did not cancel or avoid his policy, as it was about to come to an end, so Haven simply let it lapse. But if there

is anything on internal and external databases about that or about Haven having declined his claim then Haven should ensure that mention is removed. Haven should also give Mr C a letter saying that Haven declined his claim in error, which he can give to future insurers.

Mr C said that Haven's decision to decline his claim affected his mental wellbeing. He had saved for his car for years, was upset that he'd lost it, and felt that in declining his claim Haven were blaming him for something which wasn't his fault. I can see that this did cause him frustration and worry over a period of time. And so I also think that Haven should pay him £300 as compensation for the distress and inconvenience this caused."

Mr C accepted my provisional decision but Haven didn't. They sent a copy of a media article confirming that Mr C had signed with the football club. But as that wasn't in dispute, I don't see that it adds anything. Haven also inferred that because the club's management confirmed that the players were volunteers, Mr C should have noted the online question *'Whether you are in paid work, volunteering, studying or other activities, we use what you do to help work out your insurance premium'* and so should have disclosed that he was a volunteer for the club. But I don't think that's fair. I don't think it's reasonable to take what the club said after the event as being capable of informing what Mr C should reasonably have thought when he was completing the application for the policy. He didn't reasonably see himself as a volunteer, but as a hobby footballer.

Further, the phrase Haven have quoted from the online form was not in fact a question asked of Mr C, but an information statement in a box which appeared if clicked on in the context of the question about *"employment status"*. As I said in my provisional decision, the online questions and the information given about how to answer them are all cross-referential and use the same terms - occupation, work and job. So I still don't think that the questions asked of Mr C were sufficiently clear to alert a reasonable consumer to what Haven meant about a second occupation. And it remains my view that Haven have not shown that they asked Mr C a clear question about that. And so I still don't think it's fair for Haven to decline Mr C's claim on the basis that he failed to disclose his footballing as a second occupation.

My final decision

For the reasons I've given in my provisional decision and above, it's my final decision that I uphold this complaint and require Haven Insurance Company Limited to do the following:

- Reinstate Mr C's policy and consider his claim under it in accordance with its terms and conditions.
- Pay Mr C £300 in compensation for the distress and inconvenience caused.
- Ensure that Haven Insurance Company Limited's decision to decline his claim is removed from all internal and external insurance databases.
- Give Mr C a letter confirming that Haven declined his claim in error.

Haven Insurance Company Limited must pay the compensation within 28 days of the date on which we tell them Mr C accepts my final decision. If they pay later than this they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 June 2025.

Rosslyn Scott
Ombudsman