

## The complaint

Mr H complained his policy was unfairly voided by Covea Insurance plc (“Covea”) because of a misrepresentation made when taking out the policy, which led to his claim not being considered. Mr H had representation for the complaint, but for ease and simplicity, I’ll generally refer to Mr H.

## What happened

Following a flood at his property, Mr H raised a claim with Covea to cover the damage that was caused.

Covea appointed a loss adjuster to review and validate the claim. During this process, the loss adjuster learnt that the property had been flooded before.

Based on the information provided by the loss adjuster, Covea said *“we have established that when you took out this policy, you provided incomplete information in respect of previous flooding at the insured property”*.

Covea further explained its reasoning and explained in the circumstances it had no alternative but to *“declare your policy void ‘ab initio’ (i.e., cancelled from inception) and the current claim will not be met. As a result, you are entitled to a full refund of premium and there is no cover in force”*.

Mr H feels this is unfair. He said he feels *“totally let down by the insurance company on a technicality of how their question is worded”*. He wants his claim paid in full.

Our investigator decided not to uphold the complaint. She thought Covea had acted fairly and in line with the policy conditions. Mr H disagreed, so the case has been referred to an ombudsman.

## 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.

Covea deemed that Mr H’s late wife had made a *“careless”* misrepresentation when applying for the policy. It said it wouldn’t have offered cover had it known about the correct circumstances. So, it voided the policy back to inception and didn’t consider the claim.

Before I consider this complaint, I’d like to pass on my sincere condolences to Mr H, his family and friends for their loss. I can’t imagine what a difficult time this would’ve been for Mr H and his family.

The relevant law in this case is The Consumer Insurance (Disclosure and Misrepresentation) 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.

And if a 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’ve offered the policy on different terms or not at all if the consumer hadn’t made the misrepresentation.

CIDRA sets out several 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.

So, I've considered Mr H's circumstances in respect to CIDRA.

Was there a misrepresentation?

Yes, I think there was. When the application was made, on both the online submission and a follow up telephone call, it was stated by the late Mrs H that there hadn't been previous flooding at the property. However, during the validation of the claim, Mr H confirmed there had been previous flooding at the property.

Did the consumer take reasonable care?

Covea didn't think reasonable care had been taken, as accurate information hadn't been provided during the application process.

The policy application was made via a comparison website and finalised over the phone with Covea. Covea has provided evidence from the online application.

A question was asked *"to the best of your knowledge, has the property ever been flooded from an outside source? This includes any outbuildings or anywhere within the property's boundary."* I've seen the screenshot of the online customer journey, and I can see additional information was provided explaining why the question was asked and explaining why it was important. I think this question is clear and easy to understand.

The answer provided during the application process was "no".

Mr H's representative alleged that the late Mrs H was pressured into the sale by the call agent when the application was finalised. I've listened to the telephone call that was made when the application was finalised over the phone.

I can see the policy was also renewed, and there weren't any updates provided by Mr H or his late wife in respect to their circumstances during this process. The terms and conditions of the policy state:

*"It's important you keep us up to date with any changes that may affect your insurance policy. The information you gave us when you took out your policy is contained within your statement of Insurance. If any of this information is incorrect or has changed, you need to get in touch with your broker"*.

So, whilst I understand why Mr H's representative felt the late Mrs H was rushed on the phone call finalising the application with Covea, I'm not convinced that had the agent taken longer that the information provided by the late Mrs H would've changed. I say this because, the same information was provided on the online submission and confirmed on the phone call.

Additionally, the information related to the policy was provided to Mr H and his late wife when the policy was taken out and again when the policy was renewed. The documentation clearly states it was important to check this. I haven't seen any evidence that shows the policyholders were confused by the questions asked during the process or asked Covea for clarification if they were.

Therefore, I find it difficult to come to a different conclusion other than that what Covea did, in that reasonable care wasn't taken when submitting the information as it was apparent Mr H was aware of previous flooding at the property when the validation of the claim took place.

Was the misrepresentation a qualifying representation?

If the misrepresentation was qualifying, it means Covea would've done something different if it had received different information.

Covea has explained that it wouldn't have provided cover to Mr H. It wouldn't have offered a policy if had been aware of the previous flooding.

Different insurers take different approaches to which circumstances they wish to provide cover for and what level of risk they want to take on.

I've checked Covea's underwriting criteria, which is its internal rules for who and what insurance it will offer. This confirms Covea's position that it doesn't cover people who have properties where there is previous flood history. Therefore, I think Covea has been fair in saying the misrepresentation was qualifying.

Was the misrepresentation careless, deliberate or reckless?

Covea has said the misrepresentation was careless, rather than deliberate or reckless. I think this is reasonable.

This offered Mr H the best resolution to the misrepresentation. Had Covea concluded the misrepresentation was deliberate or reckless, under the rules of CIDRA, it could've voided the policy, refused all claims and kept the premiums that had been paid.

However, by saying the misrepresentation was careless, Covea has voided the policy and not considered the claim. However, it did refund Mr H, all the premiums that had been paid during the term.

I think Covea has followed a reasonable approach as it has followed the rules and actions that are set out under CIDRA.

I appreciate that Mr H feels it's unfair that the policy is shown as voided, which could have an impact on future premiums. However, Covea has simply recorded what has happened. I don't think it's been unreasonable in recording this information on the Claims and Underwriting Exchange (CUE), which is the central database used by insurers when validating claims.

Finally, I have considered any vulnerability in relation to what has happened in this claim and I haven't seen evidence that any vulnerability has meant that the correct information couldn't have been provided during the application process or renewal.

So, for the reasons I've set out I don't uphold this complaint, I don't think Covea has done anything wrong.

**My final decision**

My final decision is that I don't uphold this complaint. I don't require Covea Insurance plc to do anymore.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 February 2026.

Pete Averill  
**Ombudsman**