

The complaint

Mr F complains that Covea Insurance plc (Covea) avoided his motor insurance policy and declined his claim.

What happened

In November 2023, Mr F took out a motor insurance policy via a third-party who I'll refer to as S. For the period in question, Mr F's motor insurance policy was underwritten by Covea.

In June 2024 Mr F's car was damaged so he made a claim under his motor insurance policy. Covea said following standard validation checks it became aware of an additional four previous claims and a motoring conviction which hadn't been disclosed by Mr F when he took the policy out.

Covea said Mr F said he was aware of the conviction and thought S was too. With regards to the additional four previous claims, Mr F said shortly after he'd taken out the policy S identified two claims which he'd not disclosed. But the two claims S had identified, didn't include the additional four claims Covea had found. And Mr F says he relied upon S's findings in that it had found all his claims and reported them to Covea.

Covea said it was for Mr F to disclose any relevant information to the initial questions. And it said if it had been aware of the additional claims and the conviction when the policy was applied for, it wouldn't have offered cover in any circumstances.

Covea therefore said it viewed Mr F's actions as a careless misrepresentation which under the Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA) entitled it to avoid Mr F's policy and return his premium. By Covea avoiding Mr F's policy, it in effect was saying the policy never existed and therefore there was no policy for Mr F to claim under. Covea therefore said it wouldn't be dealing with Mr F's claim.

Mr F complained to Covea, but it didn't change its decision. It maintained Mr F had numerous opportunities to disclose the four additional claims and conviction but hadn't.

Dissatisfied Mr F brought his complaint to this Service.

Our Investigator said he found Mr F had failed to take reasonable care not to make a misrepresentation when he answered Covea's questions about his claims history. But Covea hadn't shown Mr F's failure to take reasonable care was a qualifying misrepresentation. They said it hadn't shown that it would've done anything different, had it known of Mr F's claims history.

As to Mr F's motoring offence, our Investigator also said Covea hadn't shown the question Mr F was asked and therefore it hadn't shown Mr F didn't take reasonable care when answering it. But they said even if Covea did provide a copy of the question, it still hadn't shown this is a qualifying misrepresentation either – i.e. that it made a difference to the policy. As such they thought Covea wasn't entitled to take any action based on the remedies under CIDRA.

Our Investigator recommended; -

- Covea reimburse Mr F the costs of repairing his vehicle plus interest at 8% from the date he paid for the repairs until the date Covea make the payment, subject to proof of the costs incurred.
- Covea can deduct from the above, a figure for the “time on cover” between policy inception and policy avoidance as Mr F had his premium refunded when his policy was avoided.
- Covea to correct internal and external records to show the policy as cancelled by Mr F and a letter avoiding the policy was its error. Mr F can use this letter to ask his current insurer to recalculate the premium based on the policy being cancelled by him as opposed to avoided by Covea.

As Covea disagreed with our Investigator, Mr F’s complaint was passed to me to decide.

In my provisional decision dated 3 July 2025, I said in respect of Mr F’s claims history I was satisfied Mr F did fail to take reasonable care not to make a misrepresentation when disclosing his claims history. But Covea hadn’t done enough to show that based on the correct information, it would’ve done anything different. I said I would’ve expected Covea to have shown in its underwriters’ decision at what point (as in how many claims) offering a policy to Mr F was no longer acceptable in accordance with its underwriting criteria. I therefore found there had been no qualifying misrepresentation under CIDRA which Covea could rely upon. And I found it was unfair for Covea to have avoided the policy and rejected Mr F’s claim.

In relation to the motoring conviction I said Covea hadn’t provided to this Service a copy of the question Mr F was asked at the time his policy was originally taken out regarding his motoring convictions. And although Covea had provided a copy of a question headed claims and convictions, the question itself and the available guidance was solely about Mr F’s claims history. I therefore said without seeing the question Mr F was asked regarding his motoring convictions I couldn’t say if the question was clear and specific. And therefore, I couldn’t say with any certainty how Mr F reached his answer and if he did so taking reasonable care. But, even if Covea did provide a copy of the question, I’d still not be satisfied Covea have shown that it was a qualifying misrepresentation. The reason for this is as I have set out above. Covea only provided to this Service an email from its underwriters that says it wouldn’t have provided cover, but this isn’t enough. I would’ve expected greater information as to when Covea deemed it no longer acceptable to offer a policy in line with its underwriting criteria.

I recommended to put things right Covea should effectively reinstate Mr F’s policy, remove any record of the avoidance from any internal or external records and provide a letter to Mr F to this effect which he could provide to his new insurers. In addition, I said Covea should assess Mr F’s claim in line with the terms and conditions of that policy. I said that should any claim payment be made, Covea would be entitled to deduct the returned premium from it.

I also found the decision to avoid Mr F’s policy would’ve likely caused distress and inconvenience to Mr F too. I therefore said in addition to the steps suggested above, Covea should compensate Mr F for the impact caused by the unfair avoidance of Mr F’s motor insurance policy. I considered £200 to be fair and reasonable in the circumstances.

Both Mr F and Covea responded to my provisional decision which I’ve considered to decide Mr F’s complaint.

Mr F says the costs he incurred due to Covea avoiding his motor insurance policy was a premium of £1,900 for car insurance. He says he also had to scrap his vehicle and purchase a similar new vehicle for £4,000. Mr F says he relied on S to provide him with details of his insurance claims, and he had no knowledge more than one database existed, which he thinks is unfair.

Covea provided a copy of the question Mr F was asked in respect of his motoring convictions and details of the additional claims it had identified along with its underwriting criteria.

I issued a provisional decision in September 2025 setting out I planned not to uphold Mr F's complaint. I said: -

"CIDRA

The relevant law in this case 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 a consumer fails to take reasonable care not to make a misrepresentation, the insurer has certain remedies provided the misrepresentation is what CIDRA describes as a qualifying misrepresentation. To be a qualifying misrepresentation the insurer has to show it either wouldn't have offered the policy at all or would've only offered it on different terms, 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 if it's deemed that the misrepresentation was a qualifying misrepresentation, then consideration has to be given as to whether the misrepresentation was deliberate, reckless or careless. This distinction is important, as the remedies available will depend on the type of misrepresentation.

Questions and Misrepresentation

From the available evidence, Covea says Mr F failed to take reasonable care not to make a misrepresentation when he failed to disclose at the time of the policy inception an additional four claims and a motoring conviction.

At this point I think it would be helpful to provide some background information.

When Mr F originally took out his policy via an online intermediary – who I shall refer to as M, he didn't disclose any claims history or motoring convictions. Shortly after the policy was incepted, S, when carrying out checks identified two claims which Mr F hadn't disclosed that had occurred prior to the policy inception. From the available evidence Mr F says he had no record of the accidents and couldn't remember all the details, so he relied upon S's findings. From the available evidence it doesn't appear S had identified at that time, Mr F's motoring conviction nor the four additional claims which were later found by Covea.

I've seen from the available evidence that Mr F has said to Covea whilst he was aware of the motoring conviction, he believed S were too. And, Mr F says he relied on the checks carried out by S with regards to his claims history.

When considering whether a consumer has taken reasonable care not to make a misrepresentation, we look to see if the insurer – in this case Covea - asked a clear question

when the policy was taken out. And we look to see why, given the circumstances, the policyholder - in this case F - answered the way they did. We then have to consider if a reasonable consumer would have answered the same way in those same circumstances.

Following my provisional decision of 3 July 2025 I've now been provided by Covea with a copy of the questions Mr F was asked in relation to both his claims history and motoring convictions when his motor insurance policy was originally incepted, to allow me to consider how clear and specific those questions were.

I'll therefore deal with Mr F's claims history and motoring convictions in turn;-

Claims History

Although the question is headed up claims and convictions, the question which was asked about claims is:-

*"Have you had any motor accidents, claims or losses in the last five years?
This is regardless of who/what was at fault or if a claim was made or not. If you don't tell your insurer about previous accidents, claims or losses, your car insurance may not pay out if you make a claim."*

I've seen from the available evidence there were two response options available to Mr F, either yes or no. And guidance was also available to Mr F when answering the question. From the available evidence, Covea has said that no claims were disclosed by Mr F in response to the question.

I understand Mr F says he relied on the information found by S. And S identified two claims which had occurred prior to the policy's inception which Mr F hadn't disclosed. But S in this instance is acting as his agent, not Covea's. So, any information provided to Covea in relation to this issue, from S, is to be treated as if it were provided by Mr F himself.

And in addition to the claims identified by S, Covea also identified another four claims.

Looking at the question asked, and the guidance provided I think it's fair to say that the question asked was clear and guidance was available to help Mr F answer it. So I've considered why Mr F answered no to it. Mr F has acknowledged he knew about some claims he'd had in the past, but didn't know the details. I therefore find if Mr F was unsure about his claims history, he should've done more to find out the true position. Based on the question and guidance, I think a reasonable person would've answered the question in a different way - I think they would have declared they were aware of having a number of claims within the last five years, even if they were unsure of the exact details of those claims.

I've therefore considered if the correct information would've affected the policy which would be offered or if the policy terms would've been different. This is done by checking the underwriting criteria.

In addition to the email Covea previously provided to this Service, Covea in response to my provisional decision has also now provided details of its underwriting criteria. It's disappointing that Covea has only now provided this information, given the many opportunities it had to do so previously.

Having considered the underwriting criteria, I'm satisfied that had all of Mr F's claims been disclosed at inception Covea wouldn't have offered cover.

I'm therefore satisfied the misrepresentation made by Mr F is a careless qualifying

misrepresentation and I can see that Covea treated it as such by avoiding his policy, refusing his claim and returning to him his policy premium. It's an action CIDRA allows it to take.

Taking the above into account I don't find that Covea have been unfair or unreasonable as its actions are in line with what CIDRA allows it to do.

I'll now move on to look at Mr F's motoring conviction.

Motoring Conviction

As stated above, in response to my provisional decision Covea has provided to this Service a copy of the question Mr F was asked at the time his policy was originally taken out regarding his motoring convictions. The question asked was; -

"Have you committed any driving offences or had any Fixed Penalty Notices in the last 5 years?"

If you don't tell your insurer about previous offences, your car insurance may not pay out if you make a claim"

I've seen from the available evidence there were two response options available to Mr F, either yes or no. And guidance was also available to Mr F when answering the question. From the available evidence, Mr F didn't disclose any motoring convictions when answering this question.

Looking at the question asked, and the guidance provided, I think it's fair to say the question asked was clear and as referenced above, Covea gave guidance as to what would count as a motoring conviction to help Mr F answer it. So, I've considered why he answered no to it. Mr F has said he knew of the conviction and thought S did too. Based on the question and guidance, I think a reasonable person would've answered the question in a different way – I think they would have declared their motoring conviction considering their knowledge of it.

I've therefore also considered if the correct information would've affected the policy which would be offered or if the policy terms would have been different by checking the underwriting criteria.

The underwriting criteria provided by Covea only shows Covea's position in respect of claims history and new business. It doesn't show how Mr F's motoring conviction would've affected the policy. Because of that, I don't find that its shown Mr F's answer about his conviction was a qualifying misrepresentation.

But as Covea wouldn't have offered a policy to Mr F on his claims history alone, I don't intend to consider this further, because ultimately it wouldn't change Covea's decision to offer.

Taking all the above into account, I don't think Covea has been unreasonable in avoiding Mr F's policy, not dealing with his claim and returning his policy premium to him.

This is on the basis that it's shown his answer about his claims history was a careless qualifying misrepresentation under CIDRA. And as a result, CIDRA allowed it to take the action it did here. On this basis I won't be asking Covea to do anything different.

My provisional decision therefore didn't require Covea to take any further action.

Covea didn't respond to my provisional decision. Mr F responded expressing his disappointment. In summary he said ;-

- It's disappointing Covea haven't accepted any blame. He says he had a vague recollection of some non-fault claims and relied on S to provide him with information. Mr F says when he was provided with the information and accepted the new premium, it was only after he had an incident that Covea sought to search its database again. Mr F has described this as sharp practice as Covea should have point out this issue beforehand.
- Mr F questions why two different databases are being used.
- The new findings are unfair and Covea, as a reputable company, should accept some blame in this issue.
- Mr F has incurred the cost of a new car and a premium of £1,900 which he says is a result of Covea's neglect.

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.

I appreciate Mr F's strength of feeling regarding this matter. I've considered the points he's made however I see no reason to reach a different conclusion to the one reached in my provisional decision. I'll explain why: -

Mr F has again said he had a vague recollection of some non-fault claims but he relied upon S to provide information. I refer Mr F to the paragraph within my provisional decision entitled claims history (as above) in which I said;-

"I understand Mr F says he relied on the information found by S. And S identified two claims which had occurred prior to the policy's inception which Mr F hadn't disclosed. But S in this instance is acting as his agent, not Covea's. So, any information provided to Covea in relation to this issue, from S, is to be treated as if it were provided by Mr F himself."

Therefore, as Mr F says he had a vague recollection of some non-fault claims I find this goes to the fact that Mr F did have prior knowledge of those claims but didn't disclose this information when answering the initial questions. Instead, Mr F relied upon S's findings but as I've highlighted above any information provided to Covea from S, is treated as if it were provided by Mr F himself. I appreciate Mr F feels aggrieved that Covea later found further claims which S didn't, but ultimately the responsibility was on Mr F to disclose those claims.

Mr F has raised why two different databases were used to carry out searches. Ultimately Covea carried out its own searches and as result identified four further claims. Covea was entitled to undertake its own searches, and I don't find it was unfair or unreasonable for Covea to do this.

I recognise Mr F has said he needed to buy a new car and his insurance premium was £1,900. However, I see no reason to amend my provisional decision as Covea has shown Mr F's answer about his claims history was a careless qualifying misrepresentation under CIDRA and therefore CIDRA allowed Covea to take the action it did, which I don't find to be unfair or unreasonable in the circumstances.

Mr F will undoubtedly be disappointed, but I don't find that Covea need to do anything more.

My final decision

For the reasons I've set out above, I don't require Covea Insurance plc to do any more than it already has.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 29 October 2025.

Lorna Ball
Ombudsman