

The complaint

Mr A has complained that his commercial vehicle insurer, Haven Insurance Company Limited ('Haven'), rejected a claim he made on his policy and said he had made a misrepresentation with regards to the ownership of the vehicle.

Mr A's complaint was referred to us by a representative but for ease I will refer to their comments as Mr A's.

All references to Haven include its agents.

What happened

Mr A took out a yearly commercial vehicle policy with Haven in August 2024. Prior to that he had weekly policies from October 2023.

Mr A was involved in an accident in November 2024 and made a claim on his policy. He reported the matter to his broker and confirmed he wasn't the owner of the vehicle. The broker, on behalf of Haven, asked Mr A to provide a copy of the V5C (vehicle registration) document to confirm who the registered keeper was. Mr A said he provided this without delay and confirmed he was hiring the vehicle from the owner. Haven asked for further information regarding the arrangement he had with the owner and Mr A initially said they had a verbal hire agreement but was later able to provide a copy of a written agreement.

Ultimately, Haven decided to avoid the policy from inception and not deal with the claim. It wrote to Mr A in early January 2025 and said Mr A had failed to disclose that he wasn't the registered keeper of the vehicle when he took the policy out and had it known he was hiring the vehicle from someone else, it wouldn't have offered him cover. It considered this to be a reckless breach and proceeded to avoid the policy, reject the claim and retain any premiums paid.

Mr A didn't agree and raised a complaint but Haven didn't uphold it. So he brought his complaint to our service. He said he had informed Haven that he didn't own the vehicle when he took the policy out and that the handler he had spoken to failed to record this correctly. He was also unhappy with delays he said Haven had caused as well as the lack of communication and said that it failed to provide him with a clear reason for the policy avoidance. He said he uses the vehicle for work and has not been able to get a replacement vehicle so he can carry on working and suffered a loss of earnings as a result. He was also unhappy that Haven retained all the premiums he had paid. He added that he suffered a lot of stress and said the avoidance would negatively affect his ability to obtain insurance in the future. He asked for Haven to reinstate the policy, pay the claim and issue a formal apology as well as refund his premiums and pay compensation for the distress and inconvenience it caused him.

One of our investigators reviewed the complaint but didn't think Haven had to take further action and that its decision to treat the breach as a reckless one was reasonable.

Mr A didn't agree and asked for an ombudsman's decision. He said that when he called to take out his yearly policy he said he was hiring the vehicle and the representative asked if this was a verbal or written agreement and he said it was verbal. He added that Haven recorded other information incorrectly which calls into question how accurately it recorded the information Mr A provided.

Our investigator didn't change her view and said she listened to the relevant call and Mr A did not say he was hiring the car. Our investigator sent Mr A a copy of the call.

The matter was then passed to me to decide.

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.

As this is a commercial policy the relevant law in this case is The Insurance Act 2015 ("the act"). Under the act, customers have a duty to make a fair presentation of the risk to the insurer when taking out a policy. This includes everything they know or ought to know that would influence the judgement of an insurer in deciding whether to insure the risk and on what terms. Or enough information to put the insurer on notice that it needs to make further enquiries about potentially material circumstances.

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

The act sets out a number of considerations for deciding whether the customer failed to make a fair presentation of the risk. And the remedy available to the insurer under the act depends on whether the qualifying breach was deliberate or reckless, or neither deliberate nor reckless.

Haven thinks Mr A failed to make a fair presentation of the risk because he said that he was the owner and registered keeper of the vehicle and when he moved from a weekly to a monthly policy, he confirmed his details hadn't changed. Mr A's policy documents also confirmed that he was the owner and registered keeper, and he failed to correct this.

Haven has provided copies of Mr A's statement of facts documents and they showed that Mr A was the owner and registered keeper of the vehicle and that he had purchased it in October 2023. It also provided a copy of the telephone conversation it had with Mr A when he moved from a weekly to a yearly policy. During the call, it asked Mr A whether any of the details he had previously provided had changed and he said "no".

Mr A said that when he first took the policy out, he informed the person he spoke to that he

wasn't the owner of the vehicle but they took his details down wrong. Haven said that the policy was taken out online initially and the only conversation regarding the policy was when Mr A decided to move from a weekly policy to a yearly one. It provided a copy of the question Mr A was asked when he first took the weekly policy out. The question asked whether he owned the vehicle to which he said "yes". Mr A said he was the owner and registered keeper which was incorrect.

Based on the above, I think Mr A failed to make a fair presentation of the risk. Haven has provided evidence which shows that it wouldn't have insured Mr A had it known that he wasn't the registered keeper or owner of the vehicle. This means I am satisfied that Mr A's breach was a qualifying one.

Haven has considered this breach to be reckless. It said after Mr A said he had a verbal agreement to hire the car it asked Mr A for proof. He provided a written agreement but this was produced later, after he initially said the agreement was verbal. And he also failed to provide proof of the £120 per month he said he paid the owner of the vehicle to hire it.

As noted earlier, I've reviewed the policy documents and listened to the call between Mr A and Haven when he took out the annual policy where Mr A said that none of his details had changed. Mr A later told Haven that his agreement with the vehicle's owner was initially verbal, which is why he couldn't provide a written agreement straight away. However, the written agreement he later provided is dated January 2024—before the accident occurred—so it appears this written agreement was in place when Haven first requested it. Even if the arrangement began verbally and was later formalised in writing, Mr A hasn't provided further evidence that such an agreement existed, such as proof of monthly payments.

Haven's documents advised Mr A to check and correct any inaccurate information, and these showed him recorded as the owner and registered keeper. By that point, he had already held several weekly policies before this annual one. In my view, this error is something Mr A ought to have corrected, particularly as ownership details are straightforward and not something requiring further investigation before answering.

For these reasons, I consider Haven's decision to treat this as a reckless breach to be reasonable, and I have decided not to interfere with it.

I have gone on to look at the actions Haven can take in accordance with the act. Where the breach is reckless it can avoid the policy, refuse all claims and need not return the premium. As this is what Haven has already done, I don't think it needs to take further action.

Mr A said Haven's communication was poor and caused unnecessary delays. From the evidence, Haven completed its review within about two months of the accident, which I consider reasonable given the complexity of the issues. Part of this period was spent waiting for documents from Mr A, including the hire agreement and vehicle details, which were necessary to progress the investigation.

I appreciate Mr A will be very disappointed with my decision and I can see that him not having a car has had a severe impact on his life. But for the reasons I have given above, I don't think it would be fair or reasonable for me to ask the insurer to cover a claim or reinstate a policy it had no intention of providing in the first place.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 9 January 2026.

Anastasia Serdari
Ombudsman