

The complaint

Mr W has complained that U K Insurance Limited (“UKI”) unfairly voided his home insurance policy due to a misrepresentation he says was an honest mistake.

What happened

Mr W took out a home insurance policy with UKI in March 2016 and this renewed each year.

In March 2020 renewal documents were again sent out to Mr W, which included a proposal form with various questions and answers listed on it. UKI says Mr W failed to disclose a conviction from January 2020 that he should’ve told UKI about at the time, as there was a question specifically asking about convictions and Mr W had been told to make sure he read the information and to tell UKI if any of it was no longer correct. The policy renewed again in March 2021 and Mr W didn’t tell UKI about the conviction at that point either.

In 2021, Mr W tried to make a claim under his policy, but UKI considered that he’d made a careless qualifying misrepresentation by not disclosing his conviction, so it said it was entitled to decline the claim and void the policy.

Mr W made a complaint. He said he’d made an honest mistake and shouldn’t be penalised for this for an unspecified amount of time, as this would affect his ability to obtain insurance. UKI said it wasn’t able to offer Mr W cover due to the misrepresentation and that it couldn’t confirm a time in the future when it would be able to again.

Mr W remained unhappy so he referred his complaint to the Financial Ombudsman Service. Our Investigator considered it, but didn’t think it should be upheld. She said in the circumstances, UKI was entitled to void the policy from 21 March 2020, refuse to deal with the claim and refund the premiums.

Mr W didn’t agree with our Investigator, so the complaint has now come to me for an Ombudsman’s 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.

As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Mr W and UKI have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I’m not upholding this complaint. I’ll explain why.

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.

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 has to 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.

UKI thinks Mr W failed to take reasonable care not to make a misrepresentation when he didn't tell it about the unspent criminal conviction he had from January 2020.

I've looked at the question on the proposal form, and this was: *"Have you or anyone living with you got any unspent criminal convictions (other than motoring convictions) or any pending prosecutions?"* to which the answer given was: *"No"*.

I don't think Mr W took reasonable care to answer this question accurately – or to check that the answer given was correct, because at the time of his March 2020 renewal, he knew he had an unspent criminal conviction from January 2020.

The guidance below the question said: *"Please check this form and ensure that the information provided is correct. You must take care to provide us with accurate information. If any of these details are incorrect, no longer entirely accurate or if you are unsure about them, then please call us immediately as incorrect information could adversely affect your policy, including invalidating your policy and causing claims to be rejected or not paid in full."* So I think Mr W would've known it was important to answer the question correctly.

UKI has provided evidence in the form of its underwriting criteria to show it wouldn't have offered to renew the policy had it known about Mr W's conviction. This means I'm satisfied Mr W's misrepresentation was a qualifying one.

I can see UKI also said it would refund Mr W's premiums in its letter dated 8 November 2021. This means it treated Mr W's misrepresentation as a careless misrepresentation, rather than a deliberate or reckless one – and I think that's fair.

As I'm satisfied Mr W's misrepresentation should be treated as a careless qualifying misrepresentation, I've looked at the actions UKI was entitled to take in accordance with CIDRA. And I'm satisfied the actions it took were in line with the remedies detailed in CIDRA, which sets out that an insurer can avoid the policy from the point of the misrepresentation, return the unused premiums and treat the policy as though it didn't exist from the point of avoidance, which meant not dealing with any claims.

Whilst UKI can't give an indication of when Mr W will no longer need to disclose his conviction, this will very much depend on the questions asked by different insurers. Some insurers may need to know about convictions within a certain timeframe, for example they might ask about convictions within the past five or six years. Mr W will need to answer questions accurately and the information he is required to give may be different depending on the way the question is phrased.

It follows therefore, that I'm satisfied UKI was entitled to avoid Mr W's policy in accordance with CIDRA. And as this means that – in effect – his policy didn't exist from that point on, it didn't have to deal with his claim. CIDRA reflects our long-established approach to misrepresentation cases, so I think allowing UKI to rely on it to avoid Mr W's policy is a fair and reasonable outcome to this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 January 2026.

Ifrah Malik
Ombudsman