

The complaint

Mr A complains that One Insurance Limited voided (cancelled it from the start) his motor insurance policy after he made a claim because it said he hadn't provided correct information about non-motoring convictions. He wants it to remove the voidance, deal with the claim and compensate him for the trouble and upset this caused.

What happened

Mr A had a policy with One Insurance that was automatically renewed whilst he was serving a custodial sentence for a non-motoring conviction. After he was released, Mr A was involved in an incident, and he contacted One Insurance to make a claim. It asked him if he had any non-motoring criminal convictions and he said he did.

One Insurance said it wouldn't have offered cover if Mr A had told it this at renewal or afterwards and so it voided his policy and declined his claim. One Insurance first said that it would retain his premiums and car against expected third party costs, but it later returned these.

Mr A thought the voidance was unfair as he wasn't able to review his policy documents at the renewal date. He said that because of the voidance the police were threatening to prosecute him for driving whilst uninsured. He wanted the voidance removed and the claim dealt with.

Our Investigator didn't recommend that the complaint should be upheld. They thought Mr A should have read his renewal documents when he was released and disclosed the non-motoring conviction as One Insurance had asked. They thought One Insurance wouldn't have offered cover if he had done this. So they thought it was fair and reasonable for One Insurance to void the policy, decline the claim and retain the premiums against claims costs.

Mr A replied that he thought a clear question about non-motoring convictions hadn't been asked. He asked for his complaint to be reviewed, so it's come to me for a final 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.

Mr A has explained the effects the voidance has had on him and his family, affecting his finances and causing him stress. I acknowledge that the voidance has had a significant impact for Mr A. One Insurance said it had voided the policy because Mr A had misrepresented his non-motoring convictions at the policy renewal.

I'm satisfied that 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 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. One of these is how clear and specific the insurer's questions were. And the remedy available to the insurer under CIDRA depends on whether the qualifying misrepresentation was deliberate or reckless or careless.

If the misrepresentation was reckless or deliberate and an insurer can show it would have at least offered the policy on different terms, it is entitled to avoid the consumer's policy. If the misrepresentation was careless, then to avoid the policy, the insurer must show it would not have offered the policy at all if it wasn't for the misrepresentation.

If the insurer is entitled to avoid the policy, it means it will not have to deal with any claims under it. If the qualifying misrepresentation was careless and the insurer would have charged a higher premium if the consumer hadn't made the misrepresentation, it will have to consider the claim and settle it proportionately if it accepts it.

One Insurance thinks Mr A failed to take reasonable care not to make a misrepresentation when he didn't disclose when or after his policy renewed that he had a criminal conviction. And I've looked at the question he was asked at renewal, and I agree he failed to take reasonable care.

This is because he was sent his renewal documents which said:

"If your circumstances, or any other material information, have changed during the last year, you must advise us before you renew your policy".

Mr A said he thought the document asked about just motoring convictions. But I disagree as he was advised that this included:

"Any convictions for any driver..."

And the Statement of Fact included in the renewal documents asked:

"Has any driver ever been convicted of any criminal offence (unspent under the rehabilitation of offenders act 1974) or is any possible prosecution pending?"

And the answer given was "No". And I'm satisfied that Mr A was provided with advice so that he could answer this question correctly. And so I think this was a clear question asked by One Insurance when the policy renewed.

But Mr A did have a criminal conviction and was at that date he was serving a custodial sentence. Mr A said that as he was in custody at the date of the renewal, he wasn't able to check the documents. But I think Mr A had opportunity to do this after his release. From what I can understand, Mr A had been aware of the pending prosecution for some years. And so I think he should have reasonably disclosed this when asked.

I can also see that Mr A authorised a representative to add a named driver to the policy at renewal. The representative was asked if the named driver had any unspent criminal convictions and if any amendments needed to be made to the policy. So I think this should have made the representative aware that criminal convictions would need to be disclosed.

But I can't see that Mr A advised One Insurance of the change in material fact. And I think this means Mr A failed to take reasonable care not to make a misrepresentation when he said he had no unspent criminal convictions.

One Insurance has provided evidence from its underwriting guide which shows that if Mr A had not made this misrepresentation, it would not have offered him cover at all. This means I'm satisfied Mr A's misrepresentation was a qualifying one under CIDRA.

One Insurance said the misrepresentation was a careless misrepresentation. As I've said above, if the qualifying misrepresentation was careless and the insurer wouldn't have offered cover at all, it's entitled to void the policy and decline the claim. But it should return the premiums already paid. One Insurance says it has now done this, so I think that's fair and reasonable.

Therefore, I'm satisfied One Insurance was entitled to void the policy and decline the claim in accordance with CIDRA and I'm satisfied this produces the fair and reasonable outcome in Mr A's complaint.

My final decision

For the reasons given above, my final decision is that I don't 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 12 February 2026.

Phillip Berechree
Ombudsman