

The complaint

Mr K complains about the cancellation of his motor insurance policy by Haven Insurance Company Limited (Haven). He says the police wrongly said someone else was driving when his vehicle was pulled over, when he was driving. Haven cancelled the policy as only Mr K was entitled to drive under the terms of the policy.

Any reference to Haven in this decision includes their agents.

What happened

The events in this case are disputed, as between the police and Mr K when the former pulled over his vehicle. The following summary sets out the respective version of events from each party, but without forming a view. What is key to the complaint is the actions of Haven in cancelling Mr K's policy.

In October 2024, Mr K's vehicle was pulled over by the police. The police believed the vehicle was being driven by someone other than Mr K, given his age from the insurance details for the vehicle. The police version of events was that the vehicle was being driven by someone other than Mr K, who was a passenger in the rear of the vehicle as he was feeling unwell. The police said Mr K swapped with the driver, to make it appear he was driving. The police maintained an uninsured driver was at the wheel when the vehicle was pulled over, as the insurance details they had indicated only Mr K was insured to drive under the policy. As a result, the police impounded the vehicle.

Mr K maintained he was driving the vehicle and the police lied in saying someone else was driving. He also said the officers were rude and racially abused him.

The police contacted Mr K's broker to confirm what happened and the policy details. The broker confirmed the policy covering the vehicle was renewed in January 2024, with Mr K as the sole driver. As the policy only covered Mr K, the police said they wouldn't release the vehicle from the pound until Mr K presented insurance details.

The broker passed details of what happened to Haven, as the insurer of the policy. Haven then issued a 'Cancellation With Immediate Effect' (CWIE) notice to Mr K, as they said he was in breach of the policy conditions by allowing a person not insured to drive the vehicle.

Mr K strongly rejected the cancellation, telling Haven of his disagreement with the police version of what happened. So, he complained.

In their final response, issued in October 2024, Haven didn't uphold the complaint. They confirmed the policy was incepted in January 2024 to insure only Mr K as the policyholder to drive. The policy was cancelled when the broker was advised on a call from the police that Mr K's vehicle had been stopped and the driver at the time (not Mr K) was uninsured. Haven said that by giving permission for the uninsured to drive the vehicle, Mr K breached the policy terms and conditions. Haven referred to the policy General Exclusions and terms governing cancellation of the policy, saying they justified their decision to cancel the policy with immediate effect. But Haven added they recognised Mr K was in dispute with the police

over the circumstances of his vehicle being pulled over and should the police retract their original statement about what happened, they would consider matters further.

Mr K then complained to this Service. He maintained he was driving at the time the vehicle was pulled over by the police, and they gave a false account of what happened. As he was driving, Haven had acted unfairly in cancelling his policy. He wanted an apology, his policy reinstated and reimbursement for the £2,500 cost he'd incurred in taking out another policy.

Our investigator didn't uphold the complaint, concluding Haven didn't need to take any action. He concluded the policy terms and conditions provided for Haven to cancel the policy in the event an uninsured driver was in charge of the vehicle and it being seized by the police. Haven acted fairly in cancelling the policy based on what the police had said about the circumstances of the incident. But they would review things further should the police contact them to change their version of events.

Mr K disagreed with the investigator's view and requested that an ombudsman review the complaint. In disagreeing, he maintained he was driving at the time his vehicle was stopped and had two passengers who could confirm the fact. He maintained the police acted arbitrarily and illegally because no offence had been committed as he was driving. The police bodycam evidence would support his version of events. No charges had been brought against him. He would be challenging the police version of events.

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.

My role here is to decide whether Haven have acted fairly towards Mr K. It isn't to conclude on the actions of the police in this case, which don't fall within the remit of this Service. If Mr K has concerns over the actions of the police, he should raise them with the appropriate authorities.

The key issue in Mr K's complaint is Haven cancelling the policy based on the police saying another person was driving Mr K's vehicle when it was pulled over. Mr K denies this, saying he was driving, and the police wrongly said another person was driving. Haven, say they acted fairly in cancelling the policy as only Mr K was insured to drive under the policy terms.

In justifying their decision to cancel the policy, Haven refer to the following policy terms and conditions in their final response, firstly to the policy General Exclusions:

“Section O

General exclusions

These exclusions apply to the whole of your policy:

- 1. We will not cover any claim for loss, damage or liability, and your policy may be cancelled, if your vehicle is being:*
 - a) Driven by or in charge of anybody who is not named in the Certificate of Motor Insurance as a person entitled to drive unless:*
 - ii. Your car was stolen or taken without your permission and reported as such to the Police. You must provide us proof of prosecution or ongoing investigation.*
- 2. No cover will be in place for recovery of any car from a police or government impound unless explicitly authorised by us.”*

The final response also refers to the terms and conditions on cancellation of the policy:

“Section N

Cancelling your policy

Cancellation with immediate effect/voidance

At our option, we or your broker may cancel your policy with immediate effect or void your policy from inception at any time where there is evidence of fraud or a valid reason for doing so, including but not limited to:

6. If you are in breach of any of the Terms, Exceptions, Exclusions, Conditions or Endorsements of your policy.”

I've also listened to the call between the police and the broker, setting out the police's version of events and what happened. Mr K's policy details are confirmed and that only Mr K was entitled to drive under the policy.

Having listened to the call and considered the police version of events (the call confirms bodycam footage supports the police version of events) then I've concluded Haven acted fairly within the policy terms and conditions set out above in cancelling the policy with immediate effect. I don't think it was unreasonable for them to rely on what the police had told the broker and the vehicle having been impounded.

I recognise Mr K strongly disputes the police version of events and that he was driving at the time. But he would need to challenge the police version of events through the appropriate complaints process. As I've said, it isn't for me to determine which version of events is right. But I think it is reasonable for Haven to say that should the police change their version of events, then they would reconsider matters. But until or unless that happens, I cannot conclude Haven have acted unfairly or unreasonably based on the circumstances and evidence with which they were presented. So, I won't be asking them to take any action.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 1 January 2026.

Paul King
Ombudsman