

## **The complaint**

Mr C is complaining Watford Insurance Company Europe Limited has declined a claim made on his car insurance policy and that it's looking to recover the amount it paid out on the claim. He's also unhappy it cancelled his policy.

## **What happened**

In December 2024 Mr C was involved in an accident where he collided with a third-party's vehicle. Watford later declined the claim as it said Mr C had told it he'd blown 93mg of alcohol at the scene against a legal limit of 35mg. It said this was a breach of the policy condition. So it also cancelled the insurance policy. Finally it said it wanted Mr C to repay the amount it has had to pay the third party – around £10,000.

Mr C thought Watford's decision was unfair and, in summary, said the following:

- He said the Crown Prosecution Service ('CPS') had decided to not prosecute him.
- He considered Watford's terms to be unfair and onerous.
- He thought the cancellation of the policy was unfair.
- He said this matter has had a significant impact on his life.

Our Investigator didn't uphold this complaint. She said, while the CPS chose to not prosecute Mr C, Watford was entitled to consider whether it was more likely than not that Mr C was driving under influence at the time of the accident. And she said, when Mr C first reported the claim, he had told Watford the Police breathalysed at the scene of the accident and he'd returned a positive test. She didn't consider Watford's terms to be unreasonable and she thought its decision to cancel the policy was fair.

Mr C didn't agree with the Investigator's opinion and reiterated the points he'd raised previously. So the complaint's been 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.

I've decided to not uphold this complaint and I'll now explain why.

I should first set out that I acknowledge I've summarised Mr C's complaint in a lot less detail than he's presented it. Mr C has raised a number of reasons about why he's unhappy with the way UKI has handled this matter. I've not commented on each and every point he's raised. Instead I've focussed on what I consider to be the key points I need to think about. I don't mean any discourtesy about this, but it simply reflects the informal nature of this Service. I assure Mr C and UKI, however, that I have read and considered everything they've provided.

The terms of the policy say the following:

“We [Watford] will not pay for any of the following:

24. Loss or damage arising whilst Your Car is being driven by, or in the charge of, a driver described on Your Certificate of Motor Insurance as an insured driver, or any other person who is:

- *Driving with an alcohol level in excess of the legal limit; or*
- *Driving while unfit through drink or drugs; whether prescribed or otherwise; or*
- *Failing to provide a blood, urine or breath specimen when required to do so, without lawful reason.”*

Mr C told Watford he was breathalysed at the scene and recorded a reading of 93mg at the scene. He didn't dispute the veracity of this reading and hasn't disputed he'd been drinking before this. He said he wasn't in a sound frame of mind when he made the telephone call. But he was clear in what he said on the telephone and I don't think it's unreasonable for Watford to rely on the information he gave. And I haven't seen anything to show this reading wasn't a valid and accurate reading. So he was around three times the legal drink driving limit.

I do not dispute that the CPS chose to not prosecute Mr C. But Mr C has provided a copy of the letter where the CPS dropped the charges and this suggests they were dropped due to a procedural issue rather than because Mr C wasn't over the limit. But, even if that's not the case, Watford's burden of proof is different to the criminal burden of proof. Watford simply has to show that it's more likely than not Mr C was *“driving with an alcohol level in excess of the legal limit.”* I'm satisfied he was.

Mr C has said he considers the terms to be unfair and more onerous than some other insurers. But I don't agree. It's not unreasonable for insurers to say it's not willing to cover a claim where the consumer is shown to be driving over the legal drink driving limit. And it's not unusual for insurers to have such a term in the insurance policy.

The terms of the policy entitle Watford to recover anything it's had to pay a third-party in these circumstances and it's not unfair it can do so. Since referring the complaint to this Service Mr C has queried the amount Watford paid the third party. But I can't see he's raised this with Watford previously. So he'll need to raise this with Watford directly and I'm unable to comment on that in this decision.

I recognise Mr C has said the policy cancellation has had a profound impact on his life and ability to get employment. But the terms of the policy entitled Watford to cancel the policy in these circumstances. And I again don't consider this to be unfair.

Ultimately, Mr C was involved in an accident while driving over the legal limit for drink driving. I don't think it's unreasonable for Watford to not want to cover a claim in these circumstances or continue with the policy thereafter. So I don't think its actions were unreasonable.

### **My final decision**

For the reasons I've set out above it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 March 2026.

Guy Mitchell  
**Ombudsman**