



Unlock the potential

Having a criminal conviction can be more than just a social stigma, as ex-offenders can also struggle to obtain insurance. However, one charity is hoping to eradicate some common industry perceptions, writes **Sarah Hills**

Insurance is often seen as a grudge purchase by many, however, there is a section of society that struggles to get the basics, such as household or professional indemnity. These people are being denied claims by the major insurers due to non-disclosure, and if it was not for a small selection of Lloyd's underwriters, they would be unable to obtain any type of insurance at all.

So why has the industry not embraced this potential? The answer lies in the fact that this group presents what is known in the market as a 'moral hazard' – they have all held a previous criminal conviction. However, the National Association of Reformed Offenders, UNLOCK, is looking to break down these barriers, and insurance is top of its agenda. The charity helps ex-offenders and serving prisoners to overcome what it calls social and financial exclusion. With a current panel of eight UK brokers, the aim is to allow ex-offenders to have a choice of fair and suitable policies.

Disclosing information

This is not without its challenges, and certainly not as easy as it is for Joe Public. Neil Cook of Delite Insurance is a highly respected broker on the panel. He committed to working with UNLOCK after discovering that insurers could refuse to pay out on a claim if someone has not disclosed the fact that they have had a conviction.

He explains: "The onus is on the insured to disclose any information, but the trouble is insurers and direct writers often do not ask whether they have had a previous conviction. The equivalent of 25% of the UK workforce has had a conviction – but who are they insured through?"

Working in partnership with the charity and its chief executive, Bobby Cummines, they are keen to raise awareness both in the public and in the industry of non-disclosure. Mr Cummines, who served 13 years in prison for armed robbery, has experienced first-hand the difficulties of being an ex-offender. Since his release, he has held key advisory roles in the House of Commons and House of Lords – including being appointed by the Home Secretary as a specialist advisory to the House of Commons Home Affairs Select Committee on the *Rehabilitation of Offenders Act*.

Mr Cummines says UNLOCK offers access to people who are not well served by the insurance industry, and his aim is to provide equality for reformed offenders. "The *Government Offender Index* lists 7.3 million ex-offenders in the UK," he explains. "Of that figure, how many millions are paying for insurance that will never materialise? It is a question of industry perception – if an ex-offender is trying to get insurance, then that is a good indicator that they are trying to do the right thing. There has never been a case of fraud from any of our members."

He adds: "By not disclosing, an ex-offender can compromise their mortgage, business, bank account and most importantly – their family."

In home insurance, for example, the law states that if it has not been revealed that a family member or a co-habiter has had a conviction, the insurer has a right to refuse the claim – even if they were not asked at the time of purchase. As a result, Mr Cook is calling for comprehensive risk assessments to be completed on the profile of individual ex-offenders.

"There are precautions that you can take in order to

obtain all the information you need without the ex-offender being penalised," he says. "This should create a situation where ex-offenders can confidently disclose all facts in the knowledge that they will get insurance."

Mr Cummines agrees: "There are ex-offenders who try to start up their own businesses but then hit a public or employers' liability wall. How can they continue with their business? There are ex-offenders who do not declare their convictions in order to get a mortgage.

"We want people to be able to be honest without the fear of prejudice, and we do not want to create a situation of obtaining insurance by fraud. Insurance companies need to be aware that this is an opportunity for profitable business – it's a multi-million-pound industry waiting for, and wanting, interest."

He adds: "Culturally, you can compare dealing with an ex-offender as dealing with someone with a disability. This is about dealing with individuals, so you need to be case sensitive. As a charity, UNLOCK is grateful to people such as Mr Cook – he is compassionate and sensitive, and makes my members comfortable in disclosing all information in the knowledge that he will do everything he can for them."

Common misconceptions

While UNLOCK has come across probation officers advising ex-offenders not to disclose their convictions in order to get insurance, the onus is on the insurance industry to stamp out this perceived necessity for non-disclosure. As Mr Cummines explains, the aim is to create an honest environment and eradicate discriminatory practices.

Mr Cook concludes by calling for the major insurers to recognise the potential for business: "Insurers need to be more transparent with material facts. They should ask the relevant questions and become more forthright with their duty of disclosure.

"There are millions of people in the UK who are being denied policies and claims because of their history, or because they did not know that they needed to disclose the facts. Worse still are insurers that confuse people by not asking the right questions, and getting away with non-disclosure as a result – it begs the question, who is the real criminal?" ■

CHARITY PROFILE – UNLOCK

The National Association of Reformed Offenders, UNLOCK, is a registered charity that was set up in 1999 to achieve equality for reformed offenders in the UK. It was established by a group of ex-offenders, each of whom successfully rebuilt their lives after serving prison sentences.

UNLOCK is an independent membership organisation, which represents the views of reformed offenders in the Criminal Justice System. The charity is led by its chief executive, Bobby Cummines, who served 13 years in prison for armed robbery. He is now one of the most widely recognised advocates of penal reform in the UK, advising the government and judiciary, and regularly appearing in the media. UNLOCK's president is Lord David Rambotham, a cross-bench peer and former chief inspector of HM Prisons.