

The complaint

Miss P is unhappy with BISL Limited for how they've administered her motor insurance policy.

Miss P took out a motor insurance policy with Company GI - BISL arranges and administers policies for Company GI. As the matters in this complaint fall under the responsibility of BISL's role as the insurance intermediary, I will refer only to BISL throughout this provisional decision.

What happened

On 21 September 2020 Miss P called BISL Limited to enquire about changing the car she was insuring under the policy and increasing the level of cover from Third Party, Fire and Theft (TPFT) to comprehensive cover.

Miss P explained she was looking to purchase the car the following week, so she needed the new level of cover to start from 28 September 2020.

On 10 March 2021 Miss P contacted her insurer about a crack in her new car's windscreen and it was at this time she learned her motor insurance policy was still providing TPFT cover only. Miss P discussed the problem with BISL and understood the matter was resolved as the policy would be amended and she paid for the new level of cover - so all she needed to do was pay the excess for the windscreen to be repaired. However, the windscreen repair company later contacted Miss P for the balance of the repair costs.

Miss P raised a complaint and BISL agreed their staff member had failed to upgrade the policy to comprehensive cover in September 2020. To put things right BISL agreed to pay for the windscreen repair costs and awarded Miss P £50 for the trouble caused.

Miss P didn't think this was enough to recognise the worry of having driven around for several months without the higher level of cover. And she was concerned that BISL had continued to get things wrong. Miss P said the whole matter had caused her a lot of stress.

As Miss P couldn't resolve things with BISL she brought her complaint to our service. Our investigator considered what had happened and felt that BISL's offer to put things right was fair in the circumstances of the complaint.

Miss P didn't agree with the investigator's findings. She still felt that BISL had got things wrong and she'd also been charged a fee when having to arrange the new policy in March 2021.

Our investigator confirmed with BISL that there was no fee charged for starting a new policy, but explained that Miss P would've incurred an amendment fee as per the terms and conditions of the insurance. Miss P didn't accept this as she felt she'd still been charged more due to BISL's error.

Because our investigator was unable to reach an agreement between BISL and Miss P, the

complaint came to me to decide. I issued my provisional findings to both parties which I've summarised below.

Provisional findings

I noted that BISL had accepted they'd done something wrong by not upgrading Miss P's level of cover when she asked them to in September 2020, so it was left for me to decide whether BISL had acted fairly in trying to put things right.

I considered whether Miss P was in a worse off financial position because of what had happened as well as the impact the matter had on Miss P in terms of stress and inconvenience.

I said BISL's offer to pay the windscreen repair costs was fair in the circumstances as this recognised Miss P would have had this insured if she had been given the comprehensive cover when she asked.

I noted Miss P's concerns about paying additional fees for having to take out a new policy to amend her cover in March 2021. I agreed with the investigator there was no fee for starting a new policy, but the paperwork showed Miss P had been charged an amendment fee for £25 for making changes to the existing policy.

I also noted Miss P's paperwork from September 2020 showed she was charged an amendment fee for £25 at that time as well.

I explained the policy terms set out that all amendments were subject to a £25 amendment fee. I noted it was not in dispute that Miss P was making an amendment to her policy, so it was fair to say Miss P would have been required to pay an amendment fee in September 2020. And I said it was therefore reasonable to say Miss P would only have paid for one amendment fee of £25 if all her changes had been carried out in September 2020 when she requested them.

Based on what I'd seen, I said it was therefore fair for BISL to pay back to Miss P the amendment fee of £25 she'd been charged in March 2021.

When reviewing Miss P's case I also considered that while Miss P's cover had not been changed to comprehensive cover in September 2020, she had also not been charged for the higher premiums either, so I didn't think Miss P had been made financially worse off here. And I noted Miss P seemed to accept that comprehensive cover would cost more, so I didn't think this was in dispute.

I acknowledged it would have been distressing for Miss P to learn she had been driving for several months without the level of protection she thought she had, but I also noted Miss P was unaware of this until 10 March 2021.

I didn't wish to take away from Miss P's worry, but when considering the distress caused to Miss P, I was mindful that Miss P would have been unaware there was anything wrong between September 2020 and March 2021. I said this didn't excuse what had happened, but I thought it only fair for this to form part of my considerations that Miss P would not have been worrying about the error during this period of time.

Miss P had expressed concern about not being covered if something had happened between September 2020 and March 2021. And I explained I couldn't know for certain what would have happened if there had been an incident during this time, but as nothing happened there wasn't anything for me to consider putting right. And BISL corrected the

error straight away for Miss P – their letter dated 11 March 2021 (a day after Miss P learned of the problem) included sending Miss P new documentation confirming the cover had been amended to comprehensive cover.

I also noted that policy documentation sent to Miss P in September 2020 had confirmed the level of cover as TPFT, and it was reasonable to say – given there appeared to be no further changes until March 2021 – that the renewal documents in January 2021 confirmed the same. So, while I thought it was fair for BISL to put things right in this particular case, and I'd noted Miss P's comments about being made to feel it was her error not to have checked the documents, that it was only fair to also acknowledge there is some responsibility on consumers to check their policy documentation.

Lastly, I didn't think Miss P's submissions that BISL should have known she'd want to increase her cover because of the type of car she had was fair, as I said it would be unreasonable for BISL to make such an assumption given other policyholders may have made different choices in similar circumstances. And in this case, BISL had accepted their error.

Taking everything into account I said the £50 offered to recognise the distress and inconvenience caused to Miss P was fair in the circumstances.

To put things right I noted BISL had already paid for Miss P's windscreen repair costs and paid her the £50. So I explained I was minded to say BISL should now also pay Miss P the £25 for the reasons above.

Responses to my provisional decision

BISL responded to my provisional findings to say they didn't think a further £25 should be paid as only one amendment fee was paid in March 2021. It was clarified to BISL that Miss P should only be charged one amendment fee, as this is all she would have paid if the amendments had been made when she requested the changes in September 2022, and it seemed she had been charged for two amendment fees. BISL reviewed this again, and then agreed with my provisional decision. They have said they've already taken steps to arrange the payment of £25 to go to Miss P.

Miss P didn't reply to my provisional decision by the deadline.

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.

In view of the above, as there are no further submissions for me to consider, I see no reason to alter my conclusions as set out in my provisional decision.

Having taken everything into account, it's accepted BISL did something wrong and I think for the reasons given above, covering the windscreen costs and returning the amendment fee of £25 is fair in the circumstances. And for the reasons above, I think the £50 paid to Miss P to recognise the stress and inconvenience caused to her is also fair in the circumstances of this case.

Putting things right

BISL Limited have already paid for Miss P's windscreen repair costs and paid her £50 to recognise the distress and inconvenience caused to her. BISL Limited should now also pay

Miss P £25 for the additional amendment fee she paid in March 2021, if this has not already been done.

My final decision

I realise Miss P may not feel this decision goes far enough in compensating her for what's happened. However, for the reasons above, my final decision is that Miss P's complaint is upheld and BISL Limited should put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 4 August 2022.

Kristina Mathews
Ombudsman