

## The complaint

Mr S is unhappy with the way BISL Limited (BISL) recorded an incident he reported under his motor insurance policy. He is also unhappy with the customer service he has received.

## What happened

In July 2023 Mr S was unfortunately involved in an accident involving another vehicle. He reported the incident to BISL who were acting as the intermediary of Mr S's motor insurance policy. Mr S made it clear to BISL he wasn't intending to submit a claim and was reporting the incident for information purposes only. He was told this wouldn't impact his premium at renewal.

Mr S raised a complaint as he was unhappy the incident was impacting his renewal price. He was also unhappy he had to provide BISL with his history of no claims discount (NCD) in order to receive an accurate proof of his NCD. He said he didn't receive the information he had requested from his data subject access request (DSAR). BISL considered Mr S's complaint and upheld it. It said the maximum NCD it provided was nine years and so it would require Mr S's proof of NCD from his previous insurer to be able to provide proof of NCD higher than this. It said it had provided Mr S with the information he had requested as part of his DSAR request but would resend this to him. It acknowledged Mr S was provided incorrect information about how the incident may impact his premiums and offered £30 compensation.

BISL re-considered Mr S's complaint and sent Mr S a further response. It reiterated its position on providing Mr S with his proof of NCD. It said due to the system it used, it was unable to report the incident as a non-fault incident, and so it was reported as a non-fault claim. It said because a third party was involved in the accident it would need to keep the incident open for six months in case the third party submitted a claim, but it apologised Mr S wasn't told this previously. It confirmed the underwriter had closed the incident as information only with no payment being made. It also said it couldn't guarantee what impact a claim or notification would have on future premium as both would be considered when an incident occurred, even if no claim had been made. It said it wasn't satisfied Mr S had been sent all of the information he had requested and so requested this be sent to him. It issued a further £100 compensation to Mr S. BISL subsequently issued a further £50 compensation bringing the total compensation paid to £180. Mr S didn't think this was reasonable and so referred his complaint to this Service.

Our investigator initially upheld Mr S's complaint. She said she thought it wasn't reasonable for BISL to have recorded the incident as an open claim as this wasn't accurate at the time of Mr S's renewal. She said she thought this would have impacted the renewal price Mr S was offered by BISL's panel of insurers. She said whilst Mr S took out a different insurance policy, the new policy was administered by BISL and so she thought the price Mr S was quoted had likely been impacted by the way BISL had recorded the incident on its system. She also said Mr S had suffered inconvenience trying to resolve this issue. She said BISL should pay a further £70 compensation bringing the total compensation paid to £250.

BISL responded to our investigators view to say the policy Mr S purchased wasn't impacted

by the way it reported the incident from 2023 and Mr S had purchased the policy online without their involvement.

Our investigator issued further findings. She said the new policy Mr S had purchased was taken out without assistance and so she thought the premium was calculated based on how Mr S reported the incident to his new insurer rather than how it was reported on BISL's system. She said she thought the £180 compensation BISL had paid was reasonable for the errors it had made. Following issuing her view our investigator said she didn't think BISL had made an error in the way it dealt with Mr S's proof of NCD.

Mr S didn't agree with our investigator. He said the renewal price he was offered by BISL was incorrect and so impacted his decision making regarding a fair renewal price. He said the way BISL reported the incident had impacted the way in which he understood the incident needed to be recorded when he purchased a new insurance policy and so impacted the premium he was paying. He didn't think the level of distress and inconvenience he was caused in order to obtain the correct proof of his NCD had been taken into consideration.

As Mr S didn't agree with our investigator, the complaint has 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 want to acknowledge I've summarised Mr S's complaint in less detail than he's presented it. I've not commented on every point he has raised. Instead I have focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mr S and BISL I have read and considered everything that's been provided. I have addressed the key points individually.

### *Recording of the incident*

BISL have said if an incident is reported to it involving a third party it would usually keep the claim open for a period of six months in case its insured or the third party decide to make a claim. It would also record this as a fault accident as liability hadn't yet been established by the insurer and so this would reflect a 'worst case scenario'. However it acknowledged this wouldn't be appropriate in the circumstances of Mr S's incident and so it reported this as a 'non fault' claim on its system.

I don't think it's unreasonable BISL recorded the incident Mr S reported on its system in this way. Whilst Mr S was clear the incident wasn't his fault, the incident did include a third party who may provide a different version of events to Mr S should they have chosen to submit a claim to their own insurer. I think BISL have provided an appropriate explanation as to why it records incidents on its system in this way, and am satisfied it hasn't treated Mr S in a way that means he is worse off than its other customers in the same position as Mr S.

However BISL should have provided Mr S with information about how the incident would be reported and the subsequent impact this may have on his renewal. When Mr S reported the incident to BISL it told him it wouldn't have any impact on his premium unless he or the third party decided to claim because it was being recorded as an incident only. This wasn't correct and meant Mr S was caused distress when he learned his renewal price had been impacted by the incident he had reported and suffered inconvenience trying to resolve this issue.

Whilst Mr S was caused distress, I can't say he was caused a financial loss as a result of this error. Mr S didn't renew his policy and instead took out a policy with an alternative

insurer. This policy was taken out by Mr S without BISL's involvement.

The incident Mr S had reported to BISL hadn't been recorded on the Claims Underwriting Exchange, and the new insurer Mr S took a policy out with didn't have access to BISL's system. Therefore the only information it would have about the incident Mr S reported to BISL would be the information Mr S provided it when he took out this new policy.

Mr S has said the way in which BISL reported the incident impacted the way in which he answered the questions he was asked about the incident however I haven't seen evidence this is the case. Based on the evidence Mr S has provided, I'm satisfied his new insurer required details of any claims, accidents, thefts and losses, regardless of blame, and so Mr S would have always needed to have declared this incident, even though he didn't make a claim. And I've not seen evidence Mr S has reported this incident to his new insurer incorrectly based on any incorrect information provided by BISL.

#### *Proof of NCD*

Mr S has said when he requested proof of his NCD he was required to send BISL a copy of his previous proof of NCD in order for his proof of NCD to show the correct number of years he had earned. BISL has said the maximum number of years NCD it considers is nine, and so this is the maximum proof of NCD it can provide as standard. However if the insured can provide evidence they had more than nine years NCD prior to joining it, it can provide proof of NCD greater than nine years.

I don't think it is unreasonable for BISL to require previous proof of NCD in order to provide proof of NCD more than nine years as this is the maximum number of years it considers. Mr S has said he provided BISL proof of his NCD when he took out his policy and so BISL already had this information. However on the welcome document Mr S was sent when taking out his policy it states:

#### ***'Proof of your no claims discount***

*We do not need proof of your no claims discount, However you should keep a copy of your last renewal notice, Schedule of Insurance or letter from your last insurer, as we may need to see it at a later date.'*

Mr S has said he sent proof of his NCD using the online portal but as the policy has expired he no longer has access to this. Based on the evidence provided I'm not persuaded Mr S was required to send proof of his NCD when he purchased his policy and so can't say BISL already had this information.

Mr S has said he was caused distress and inconvenience during the process of obtaining the proof of his NCD from BISL. Based on the evidence provided I can see Mr S provided his previous proof of NCD to BISL on 5 September 2023 and was sent the amended proof of NCD by BISL on 8 September 2023. Therefore I think this was sent in reasonable time and haven't seen evidence Mr S was caused unreasonable distress or inconvenience due to this process.

#### *Request for information*

When Mr S reported the incident to BISL he requested a copy of the notes and call recording to be sent to him. He was told he would need to speak to the customer service department to request this which he did. Mr S was sent some information but wasn't satisfied all of the information he had requested had been provided. BISL acknowledged in its final response to Mr S, not all of the information Mr S had requested had been included and so it had

requested this be sent to Mr S.

This has caused Mr S inconvenience as he has had to spend time making multiple requests for information which should have been provided to him upon him first making this request. I've taken this into consideration when considering fair compensation

### **Putting things right**

Mr S was given incorrect information from BISL when he reported the incident to it. This has caused Mr S distress and inconvenience and I can see Mr S has spent some time trying to resolve this issue. Additionally he had to spend more time than he should have done to obtain the information he had requested BISL provide to him. I think the £180 compensation BISL have paid is reasonable in the circumstances. Compensation of this amount reasonably takes into consideration the level of distress Mr S was caused and the time he has spent trying to resolve this issue and is in line with what I would have expected BISL to have offered in the circumstances.

### **My final decision**

For the reasons I've outlined above I don't uphold Mr S's complaint about BISL Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 December 2024.

Andrew Clarke  
**Ombudsman**