

## **The complaint**

Miss I has complained that Somerset Bridge Insurance Services Limited trading as Go Skippy unfairly cancelled her motor insurance policy following an accident and has charged her an amount it says remains outstanding.

## **What happened**

Miss I took out a car insurance policy with Go Skippy in April 2024. Go Skippy cancelled the policy a few weeks later as it didn't receive the required documents to validate the policy. The policy was then reinstated when Miss I contacted Go Skippy the same day – but it was cancelled again just over a week later due to the fact that Miss I's direct debit had not been set up.

Go Skippy gave Miss I the option of setting up a repayment plan, so a six-month plan was set up with the first payment due at the end of June 2024.

Miss I found she couldn't afford the payment plan so she contacted Go Skippy and the payment plan was extended for her, with the outstanding amount to be paid over a period of nine months. The first payment of £166.41 was made successfully at the end of June 2024.

However, Miss I told Go Skippy that she wouldn't be able to make the July payment due to a bereavement. Go Skippy said whilst she couldn't skip the payment, it would accept a reduced payment from her for July. Miss I made a payment of 25% of the usual amount and agreed to have the payment plan recalculated to factor in the outstanding amount. Miss I then made the August payment.

In September 2024, a claim was recorded on Miss I's policy and she told Go Skippy that she'd been involved in an accident which had written off her vehicle. She cancelled her policy and Go Skippy informed her of the cancellation charge of £75 that would apply as well as an outstanding balance.

Miss I complained. She said it was a non-fault accident and the other party took full responsibility for it. She also said she didn't need the insurance anymore as she was unable to purchase a new car straight away. She didn't understand why there was an outstanding balance as this would mean she would be paying for a car she was no longer able to use through no fault of her own.

In its response to her complaint, Go Skippy said it had applied the cancellation charge fairly and the outstanding balance was calculated in line with Miss I's time on cover and in accordance with the Terms of Business, which she'd accepted prior to her policy's start date. It said it had waived the £75 cancellation fee and had initially proposed a six-month payment plan for the outstanding balance – but that as it had miscommunicated the balance in previous correspondence, it would reduce the outstanding balance by £50 – bringing the total outstanding balance to £258.50. And it also said it would offer her a ten-month payment plan to facilitate settlement of the balance.

Miss I didn't accept Go Skippy's response, so she referred her complaint to this service. Our

Investigator considered it, but didn't think it should be upheld. She said Go Skippy had explained to Miss I what the charge was for and how it had worked out the outstanding balance – and she felt it had already done enough to compensate her for any lack of clarity by waiving the charge and reducing the balance.

Miss I didn't agree with our Investigator's opinion, so the complaint has now come to me for an Ombudsman's decision.

### **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.

As this is an informal service, I'm not going to respond here to every point raised or comment on every piece of evidence Miss I and Go Skippy have provided. Instead, I've focused on those I consider to be key or central to the issue. But I would like to reassure both parties that I have considered everything submitted. And having done so, I'm not upholding this complaint. I'll explain why.

Miss I has understandably queried why she's been left with an outstanding balance, as she believes she was paying monthly for her policy and made every payment consistently. She says she was up to date with all her payments and doesn't understand how she could still owe Go Skippy money for her time on cover if she's already made the required payments.

But having considered all the information Go Skippy has provided, I'm satisfied that the outstanding balance has been calculated fairly and that it reflects Miss I's time on cover. This is in part because Miss I didn't make her first payment under the policy until the end of June 2024 for a policy that started in April. There was also a reduced payment that was made in July and the final payment was made in August before the accident.

But Miss I's time on cover was from 8 April to 25 September and the amount payable under her policy for her time on cover was £704.18 with an arrangement fee of £155.45, which means Miss I owed Go Skippy £859.63 in total. There is clearly a period of time on cover Miss I hasn't paid for. She's made payments totalling £551.13 towards her policy. And she's not provided evidence that she's paid for her full time on cover or more than Go Skippy says she has paid. If Miss I has evidence she's paid more than this, she should send that evidence to Go Skippy in the first instance for it to consider.

But based on everything I've seen, I think it's likely there's a shortfall of £308.50 which Miss I owes because Go Skippy has shown that Miss I didn't make every payment consistently for her time on cover. I think it's fair for Go Skippy to have reduced this further by £50 to reflect any unclear information it's given her. And it's waived her cancellation charge as a gesture of goodwill too. I'm satisfied therefore, that Miss I still owes Go Skippy £258.50 and it's given her the option of a repayment plan to help her manage the outstanding amount, so I don't consider it's treated her unfairly.

I'm sorry to disappoint Miss I and I have a great deal of empathy for her personal circumstances and hardships. It is not at all my intention to diminish the very real struggles and distress she has outlined in her correspondence. But I can't fairly say that Go Skippy has acted unreasonably here and so for the reasons I've explained, I'm afraid I won't be requiring Go Skippy to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 28 July 2025.

Ifrah Malik  
**Ombudsman**