

The complaint

Mr D's unhappy with the customer service he received from BISL Limited ("BISL") after he tried to cancel his motor insurance policy. He says it's caused him significant upset and the offer of compensation BISL has made doesn't go far enough to put things right. All references to BISL include its agents.

What happened

Mr D's motor insurance policy started in June 2023. In September 2023, Mr D says he scrapped his car. He says he initially decided to keep the policy running in case he bought a new car but he was told by BISL he could cancel the policy at a later date online.

Around November 2023, having not bought a new car, Mr D's said he cancelled his policy online. BISL has said the cancellation wasn't processed and it's provided a screenshot of its internal system to show this. Mr D cancelled his direct debit in December 2023 as he says he was told during the cancellation there were no outstanding premiums to pay. The policy was cancelled by BISL in January 2024 due to non-payment.

BISL sent Mr D letters and emails chasing him for payment and informing him his policy would be cancelled due to non-payment. It's given us copies of this from November and December 2023. And it's sent us a copy of an email from 6 January 2024 notifying Mr D that his policy had been cancelled. It's also given us records of calls and web chats with Mr D in January, February, July and August 2024 including the call lengths and wait times.

BISL passed Mr D's debt onto a debt recovery agency who I'll call "C". BISL hasn't given us records of contact between Mr D and C. But Mr D's sent us the emails he received from C. Mr D was very unhappy with the contact with BISL. He's said he had to contact them repeatedly to resolve things and he didn't feel listened to. He said the letters he received caused him a great deal of distress and they ruined important events for him.

Unhappy with the service provided by BISL, Mr D made a complaint. BISL apologised for what had happened and offered him £125 as compensation to make up for the poor service he'd received including a call which was cut off and not returned. It also offered to backdate his cancellation to the date he originally tried to cancel and waive the cancellation fee and the outstanding premium for the time on cover he had left.

Mr D didn't think BISL had done enough to put things right so he asked our service to look into things. Our Investigator didn't uphold the complaint as he thought the offer was fair. Mr D didn't agree with our investigator so the complaint was passed to me to decide.

I issued a provisional decision in April 2025 explaining my initial thoughts. At the time, I thought it was more likely the cancellation hadn't been processed due to BISL's error and I didn't think it had done enough to show us otherwise. So I thought it should make up for the impact this had on Mr D – including the upset he experienced from being chased for the outstanding debt. Following my provisional decision, BISL sent us more information, including screenshots of its internal system. And it said, in summary:

- Mr D tried to cancel the policy online, unassisted by BISL. Its internal system showed an 'attempted online cancellation'. Taking the information it had together, it thought Mr D got at least as far as giving his reasons for cancelling the policy but didn't proceed to the final page confirming the policy had been cancelled.
- The policy was ultimately cancelled because Mr D cancelled his direct debit instruction. It says this didn't impact Mr D's credit file.
- The only records of calls Mr D made to BISL were from the dates it had previously given us. It said it doesn't hold records of any contact with C.
- To make up for the later issues with customer service, Mr D has been put in a better position than he would've been in if the policy had been cancelled in November 2023 even though he hasn't provided evidence that he'd scrapped his car.
- It thinks it's offered Mr D enough compensation to make up for the service he's received, in particular, not setting up a complaint straight away.
- It sent Mr D letters explaining payment was required which should've indicated to him that his policy hadn't been cancelled.

I asked Mr D for further information. In particular, I asked for details of what he remembered about the cancellation process and what information he was given at the time. I also asked for records of all of the calls he made to BISL and C.

Mr D explained when he cancelled the policy online, it confirmed there was nothing left to pay. Mr D wasn't able to provide any letters from C or any of the call records I'd requested as he'd changed phone provider.

I issued a provisional decision on this complaint in June 2025, a copy of which is below:

"Based on what I've seen so far, I'm planning not to uphold this complaint as I think BISL has done enough to make up for what went wrong. I know Mr D will find this very disappointing following what I'd said in my previous provisional decision. But I must reach a decision that's fair to both sides and based on the information available to me.

Mr D says he cancelled his motor insurance policy online in November 2023. He said the cancellation system told him he had nothing outstanding to pay but he's not given further details about what steps he went through or what screens he saw.

Whilst Mr D did attempt to cancel his policy online, it didn't go through at that point. BISL has given me a lot of information about the screens Mr D would've seen and the information he submitted. And it's suggested he didn't complete the necessary steps – perhaps because he pressed 'back' or left the process. BISL's system has recorded Mr D's cancellation as an 'attempted online cancellation'. And it's provided evidence that Mr D gave two reasons for cancelling his policy which means he visited that screen twice – so he likely did go 'back'. At the moment, I think it's likely he did try to cancel the policy online but it wasn't completed and I currently haven't seen enough to make me think this was due to an error caused by BISL.

As Mr D's policy wasn't cancelled when he thought it was in November 2023, when he cancelled the direct debit, it showed up as a non-payment. And I don't think that's unreasonable or unusual because as far as BISL was aware, the policy was in force but the premiums hadn't been paid. So whilst I understand Mr D experienced upset in receiving letters chasing him for the outstanding payment, I can't say BISL did anything wrong here.

BISL accepts around February 2024, it should've raised a complaint when Mr D got in touch to explain what had been happening. And had it done so, I think it's more likely it would've got to the bottom of what happened at that point. Instead, it didn't raise a complaint until around six months later in August 2024. During this time, Mr D says he made more calls to, and received contact from, BISL which shouldn't have been needed.

BISL has given me its records of calls and I can't see the level of contact Mr D describes. I understand much of Mr D's contact was with C and he's given us some emails from May and June 2024 to show this. So it might be that the calls he made and the correspondence he received was from C rather than from BISL directly. But he's not been able to give us any records of those calls, including the dates they took place. So, at the moment, considering the levels of avoidable contact I do know happened after February 2024 when the complaint should've been raised, I think BISL's offer to put things right is in line with what I'd expect.

BISL has offered Mr D £125 to make up for the poor service provided and for not raising the complaint or resolving things earlier. And it's put Mr D in a better position than he would've been in if the cancellation had gone through in November 2023 as it's waived fees and the cost of the policy for the time he had on cover. So based on what I've seen so far, I think that's fair to make up for what I'm satisfied did go wrong."

I asked both parties to make any further comments for me to consider before I reach my Final Decision. Mr D didn't respond to my provisional decision. BISL let us know it had received my provisional decision but didn't make any further comments.

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.

Having looked carefully at all of the information I've been given, including the responses I've received, I see no reason to change my conclusions set out in my provisional decision.

My final decision

It is my Final Decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 22 July 2025.

Nadya Neve
Ombudsman