

The complaint

Miss B complains that her broker BISL Limited gave her incorrect advice about the cover provided by her motor insurance policy for driving other cars. She wants it to cover her costs.

What happened

Miss B had an accident whilst she was driving a relative's car. She contacted BISL to confirm her level of cover. And she was misadvised that she had comprehensive cover under the driving other cars extension. BISL provided the same information to her insurer. But the policy only provided cover for the other driver's car, and not the car she was driving. BISL agreed it had provided incorrect information, and it paid Miss B £100 compensation for this loss of expectation. But Miss B remained unhappy. She thought the policy terms and conditions had been changed.

Our Investigator didn't recommend that the complaint should be upheld. She thought the driving other car's extension provided cover for the other driver's losses only. And she thought BISL had shown that this had always been the case with Miss B's policies. So she thought BISL wasn't responsible for the damage to Miss B's relative's car. And she thought BISL's compensation for Miss B's loss of expectation was fair and reasonable.

Miss B replied asking for an Ombudsman's review, so her complaint has come to me for a final decision. She said BISL's misinformation and management of the claim had left her severely out of pocket.

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 can understand that Miss B feels frustrated that she was provided with incorrect information about her cover. She has explained that this has caused her a financial loss. And I was sorry to hear this.

BISL agrees that when Miss B notified it of the accident it told her she had comprehensive cover for driving other cars. But this wasn't correct. The policy does provide for driving other cars and this and its limitations is stated on the policy certificate:

"Miss [B] may also drive with the owner's permission a motor car that is not owned by or registered to, or hired, rented or leased to, them, their business partner or their employer, or is being kept or used in connection with their or their employer's business."

But there is also a further limitation to the cover listed on the certificate:

"Driving other cars: If paragraph 5 above allows a driver to drive a car not belonging to them or hired by them, the cover for that car will be limited to Section 1 of the policy - Liability to others. They will not be covered for any loss or damage to the car they are driving."

I think this is a clear limitation for the cover provided. And I can see that the same limit to third party cover only was stated on the certificate when Miss B first took out cover through BISL. So I think she was made reasonably aware of it.

Miss B said that after the accident she wasn't sure if the policy provided comprehensive or third-party cover for driving other cars. And so she called BISL to check. And it then misadvised her that she had comprehensive cover.

When a business makes an error, as I'm satisfied BISL has done here, we expect it to restore the consumer's position as far as it's possible to do so, and we expect it to compensate the consumer for the impact of the error.

The error happened after the accident. I think the policy documents were clear on the level of cover provided when driving other cars. So I can't say that BISL's error caused Miss B a financial loss that it should compensate her for. And it's told us that the insurer has confirmed that the incorrect advice didn't cause any delays in settling the other driver's losses.

But BISL did cause a loss of expectation and Miss B had to complain further for BISL to get it to fully investigate her complaint. This caused her trouble and upset. BISL paid Miss B £100 compensation for the impact of its error. I think that's in keeping with our published guidance for where an error has had such an impact on a consumer. So I think that's fair and reasonable. And I don't require BISL to increase this or to cover Miss B's costs.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 25 November 2025.

Phillip Berechree
Ombudsman