

The complaint

Mrs E complains about Somerset Bridge Insurance Services Limited's (trading as Go Skippy Insurance) ("SBISL") decision to cancel her car insurance policy and about the charges which followed.

What happened

Mrs E says she took out a car insurance policy in March 2025 and paid a deposit. Mrs E says SBISL then requested proof of her No-Claims Bonus ("NCB") which she provided, and during which time she made a monthly instalment towards her premium. Mrs E says SBISL then informed her they couldn't accept the proof of NCB Mrs E had provided and decided to cancel her policy. Mrs E says SBISL also sent a request for a further £276.82 to be paid and then threatened her with court proceedings if Mrs E didn't pay the additional amount. So, Mrs E complained about the additional charges and about SBISL's decision to cancel her policy and said the policy terms and conditions never mentioned her NCB wouldn't be accepted.

SBISL said, Mrs E's policy was correctly cancelled following a failure to provide the requested documentation by the deadline given. They said they'd provided numerous reminders of the documents due, how to send them and the deadline. They said the cancellation charges which had been applied were in line with their Terms of Business. So they didn't uphold this part of the complaint. SBISL accepted though they could've explained in more detail why the document provided by Mrs E in relation to her NCB wasn't acceptable to the insurer. In recognition of this, SBISL offered £25, which they deducted from the outstanding balance, meaning there was an outstanding balance owed of £251.82.

Our investigator looked into things for Mrs E. He thought SBISL hadn't acted unfairly in cancelling the policy and in pursuing Mrs E for the outstanding balance. Mrs E disagreed so the matter has come to me for a 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.

Having done so, I've decided not to uphold the complaint. I understand Mrs E will be disappointed by this but I'll explain why I have made this decision.

The information shows Mrs E took out a policy which started on 15 March 2025. SBISL sent a welcome letter to Mrs E which said the insurer may ask for certain documents to validate the information Mrs E had provided, and that SBISL would write to Mrs E separately if they did require any documents. SBISL also noted that Mrs E had taken out finance to pay for her premium. On 17 March 2025, SBISL contacted Mrs E and asked for, "*Proof of your no claims bonus – provided by your previous insurer.*" The letter set out ways in which Mrs E could send the documents and also explained that if all documents weren't provided within 21 days of the start of the policy, the policy may be cancelled. And if the policy was

cancelled, then Mrs E would be charged a cancellation fee as well as the time on cover. SBISL also referred Mrs E to their Terms of Business for full details of the fees charged upon cancellation.

I've seen the Terms of Business, and this says, "*If you do not provide us with valid proof of your No Claims Discount within 21 days of the start date of your policy, then your policy may be cancelled...*" This also set out the charges which would be applied in the event of a cancellation after the 14-day cooling off period. This included a charge for the time on cover, SBISL's arrangement fee and a cancellation fee. It also referred to there being a separate set of terms and conditions and charges for the finance provider. There's also a pricing information document which set out SBISL's arrangement fee.

Having not received the documents requested, SBISL chased Mrs E on 31 March 2025 and again asked for proof of NCB. This again set out ways in which Mrs E could send the documents, and fees which would be due if the policy was cancelled. Mrs E then sent a document to SBISL on 2 April 2025 – which was a letter from a 'company' which explained Mrs E hadn't had any claims over a 12-year period. But SBISL responded and explained the document sent couldn't be accepted as proof of NCB. The Terms of Business sets out what SBISL will accept as proof of NCB – and I can't say the document provided by Mrs E meets this criteria. I acknowledge Mrs E says the proof of NCB provided by her was from a 'company', so it should've been acceptable to SBISL. But the scheme operated by this 'company' means Mrs E doesn't get a no-claims bonus at the end of the arrangement as the 'company' owns the vehicle. So, I don't think SBISL acted unreasonably in declining to accept the document provided by Mrs E as proof of NCB. I acknowledge Mrs E says SBISL's Terms of Business doesn't specifically say the particular document sent by Mrs E is unacceptable. But it does set out what they will accept, and the criteria that would need to be met. And I think that was sufficiently clear in setting out what proof SBISL required.

On 6 April 2025, having still not received the document requested, SBISL sent a chaser to Mrs E requesting proof of NCB and also giving notice the policy would be cancelled on 13 April 2025 if the document wasn't received. The letter also set out what charges would need to be paid if the policy was cancelled. Having not received the proof of NCB, SBISL cancelled the policy on 15 April 2025 and sent a letter confirming this and explaining they were unable to confirm if there was any outstanding balance or refund due, as the finance provider was currently processing the next direct debit payment. SBISL said, once they'd been informed about whether the payment had been successful, they would contact Mrs E about any outstanding balance due. SBISL then sent a letter to Mrs E which explained there was an outstanding balance of £276.82.

The first point I've considered is whether it was reasonable for SBISL to cancel the policy. The Terms of Business say SBISL can cancel a policy if they don't receive proof of NCB. SBISL also explained to Mrs E, when making their first request for the proof of NCB and in the chaser letters which followed, that the policy could be cancelled if they didn't receive the documents requested. So, I think SBISL made it clear what the consequences would be if they didn't receive the documents requested. I think SBISL also clearly explained the timeframes within which the proof of NCB was required and then gave a week's notice of their intention to cancel the policy should the documents not be received.

Given that Mrs E didn't send the proof of NCB in line with the criteria set out in the Terms of Business, and in view of SBISL's communication with Mrs E about this, I don't think it was unreasonable for them to have cancelled the policy. I acknowledge Mrs E questions why SBISL couldn't have just applied an additional premium due to the lack of proof of NCB, but SBISL say this could've been possible had Mrs E contacted them to discuss this and confirmed she wanted to proceed with the policy even without the proof of NCB. I can't see Mrs E took these steps, so, I can't say SBISL acted unfairly here.

The cancellation led to Mrs E incurring charges. I've seen the breakdown of the charges, and all charges are in line with the charges set out in the Terms of Business in circumstances where a policy is cancelled after the 14-day cooling off period. This includes a charge for the time on cover, SBISL's arrangement fee and a cancellation fee. I acknowledge Mrs E says she has already made two payments towards her premium, and I can see the breakdown shows these have been deducted from the total charges. This left an outstanding balance of £276.82, but this was reduced down to £251.82 following the £25 compensation awarded by SBISL. So, I think the £25 awarded by SBISL is reasonable in the circumstances. And I think SBISL haven't acted unfairly here in applying the charges as they were all made clear in the Terms of Business as well as in the letters sent to Mrs E. It therefore follows that I don't think it's unreasonable for SBISL to request the outstanding balance of £251.82 from Mrs E.

I wish to reassure Mrs E I've read and considered everything she has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service.

My final decision

For the reasons I have given, it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 6 November 2025.

Paviter Dhaddy
Ombudsman