

The complaint

Miss G complains that Somerset Bridge Insurance Services Limited (“SBIS”) gave her incorrect information that led to it cancelling her motor insurance policy.

What happened

Miss G had a motor insurance policy arranged through SBIS as a broker.

She made a claim in November 2024. Her car was written off by the insurer, and under the policy she had she was able to pause the policy while she searched for a replacement car.

Miss G called SBIS as her broker and told it she was moving address and was trying to buy a replacement car. She asked SBIS for information about what sort of car would be insurable at her new address. It told her what would be acceptable.

Miss G proceeded to buy a car in line with what she’d been told. SBIS updated her vehicle details and confirmed the revised premium. But it hadn’t updated Miss G’s address.

The insurer said it couldn’t cover her at her new address. It said it would cancel her policy, or she could cancel it first so she wouldn’t have to declare it to other insurers in the future. Miss G cancelled the policy.

SBIS said it would waive part of the £557.30 she owed (as she’d “used” the policy by making a claim), reducing it to £200 when she complained. It accepted it had made an error by not dealing with her change of address. It engaged debt collectors to recover the money from Miss G.

SBIS said she could buy a new policy from it, which would be able to cover the new car at her new address. She had to take another policy out as she needed cover for the car at her new address.

Miss G brought her complaint to this service. She asks that her outstanding debt of £200 is waived by SBIS.

Our investigator looked into her complaint and thought it would be upheld. He thought SBIS had given Miss G poor service and advice. He said it shouldn’t charge her administration or cancellation fees and it should record the cancellation as Miss G’s. He also thought it should pay her £350 compensation for the avoidable distress and inconvenience she has suffered as a result of its service.

Miss G accepted the view. SBIS didn’t respond. Because it didn’t respond, this complaint has been passed to me to make a final 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.

In this decision, I'm not going to comment on the entire file of evidence I've been given. But I'd like to assure Miss G that I have carried out a comprehensive review of the file in arriving at this decision. This is in line with the informal approach of this service.

Having done so, I'm upholding Miss G's complaint.

From the evidence I've read, I can see that SBIS updated Miss G's car details but not her new address, and it was Miss G who checked the details and re-contacted SBIS to clarify them. Then she was told the insurer couldn't cover her.

They informed her that the remainder of her policy still needed to be paid.

I've listened to several hours of calls made by Miss G to SBIS in which her concern is clear, and that SBIS struggles to understand what she's trying to do.

Miss G remains calm and polite throughout and I can hear she's worried that SBIS hadn't changed her address to her new one, and this meant her policy may be invalid. SBIS doesn't seem to respond to her worry.

In one of the calls, I can hear Miss G asking for ideas of quotes for two vehicles she's thinking of replacing her written-off car. Both are confirmed as "no-quotes" from her existing insurer. She asks for help, and a manager says the type of policy she has would cover a car up to a certain value, and a certain engine size.

Miss G buys a car meeting these parameters. SBIS then tell her the insurance company can't change her car.

I can see from the file that it was later confirmed that it was the new address that meant it couldn't provide a quote for a new vehicle there. The vehicle details were irrelevant.

I've thought about this, and I don't think SBIS's service has been good enough. It gave its client very specific advice, which was later determined to be wrong.

When it found this out, it told Miss G it would cancel the policy, which would stay on her record, or she could do it first. Miss G felt forced to do this, and was then chased for the outstanding debt she owed due to the claim.

Unfortunately for Miss G, she'd already 'used' the policy when she'd made a claim on it. What this means is that, under the policy terms, she needs to pay the remaining part of the policy premium.

I can see SBIS told her she owed £557.30 and it would reduce this this £200 as a gesture of goodwill.

But I don't think this is enough. I can see Miss G was greatly inconvenienced by SBIS's actions, and I can hear from the many phonecalls she made that she was becoming increasingly distressed.

It seems to me that SBIS itself was somewhat confused about the situation, and its staff failed to understand the implications of Miss G's situation and didn't account for her vulnerability from her recent claim.

I think the fair result is that SBIS waive the remaining balance due, meaning that what it can charge Miss G is solely the time on risk (in other words, a pro-rata charge for the length of the policy). For the avoidance of doubt, that means no cancellation or admin charges can be

applied.

SBIS's service meant Miss G was given bad advice, but I also don't think the general service it's provided has been very good. It's my understanding that the cancellation is already recorded as Miss G's. It should also pay her a total of £350 compensation due to its poor service and mistakes that I can see have caused her distress and inconvenience.

My final decision

It's my final decision that I uphold this complaint.

I direct Somerset Bridge Insurance Services Limited to:

- Waive the remaining balance it says is owed by Miss G, subject to it confirming it's only charged her for the pro-rata premium from the inception date to the date she cancelled the policy.
- Pay Miss G £350 compensation for her distress and inconvenience.

Somerset Bridge Insurance Services Limited must pay the compensation within 28 days of the date on which we tell it Miss G accepts my final decision. If it pays later than this, it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 14 November 2025.

Richard Sowden
Ombudsman