

## **The complaint**

Ms B has complained about the poor service she received from BISL Limited when she tried to update her car insurance policy.

## **What happened**

In February 2025 Ms B bought a car insurance policy through an online comparison website. BISL is the administrator of the policy on behalf of the insurer.

In March 2025 Ms B changed the number plate on her car. She says she believed she had updated her policy online at the same time with the new number plate. But in May 2025 she received notification from the DVLA that her car wasn't showing as insured with the new plate details.

In May 2025 Ms B contacted BISL and tried to update her policy with the number plate change. But BISL said it wasn't possible. And this led to her policy being cancelled and Ms B had to arrange alternative cover. BISL waived the cancellation fee.

Ms B complained to BISL. She said a number plate change should not have led to her having to cancel her policy. Although Ms B received a pro rata refund of the premium from May 2025, she wanted a refund from February 2025. Ms B said she had to pay for a new policy in full in May 2025.

Ms B also complained that an agent wasn't available to discuss her complaint.

In June 2025 BISL upheld her complaint and paid £75 compensation for the distress and inconvenience caused. It said it was a system error that prevented the policy from being changed. It said an agent wasn't available to immediately deal with Ms B's complaint. But it did register the complaint correctly and responded as soon as possible.

Ms B remained unhappy and asked us to look at her complaint.

One of our Investigators recommended BISL increase the compensation award to £150 to reflect the distress and inconvenience it had caused.

BISL accepted the Investigator's recommendation. Ms B doesn't agree and wants an ombudsman to decide. She says she paid for insurance for a period that she effectively wasn't insured for (from March to May 2025). Ms B says £150 compensation isn't enough to reflect the poor service and the potential implications of driving while uninsured.

So the case has been passed to me to decide.

## **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.

It's clear that it wasn't easy for Ms B to contact BISL online and by phone and spent some time back and forth between 29 May 2025 and 31 May 2025. BISL wasn't able to change the number plate under the policy and suggested it was a system failure and for Ms B to contact it again in the next day or so.

On 31 May 2025 Ms B began an online chat with BISL which lasted around an hour and a half. I can understand Ms B's frustration. She had trouble accessing her account online. When she asked to update her policy to change the number plate, BISL said it wasn't possible as her existing insurer wasn't producing a quote for the change. BISL said the only option was to cancel the policy and set up a new one.

Ms B's card details needed to be updated in order to provide a refund under the policy being cancelled. Ms B accessed her policy online and updated the card details during the live chat.

The agent initially said the refund would be sent to the new card details, but then apologised and said the system didn't allow her to do this and so BISL would arrange a cheque payment in the next 21 days.

It wasn't possible for Ms B to speak to somebody to discuss her complaint. Ms B had to then unexpectedly obtain alternative car insurance cover. BISL immediately said it would waive the cancellation fee.

When replying to Ms B's complaint, BISL apologised for the poor service and errors which caused her policy to be cancelled. It paid £75 compensation for the distress and inconvenience caused.

We look at what happened rather than what might have happened when considering compensation for a business' failings. Fortunately in this case there were no negative consequences in relation to the question of driving while uninsured.

Ms B says she believed she had updated her policy in March 2025 online. Although there is a record of Ms M accessing the online portal at this time, no change was done and Ms B didn't receive confirmation of the change either.

Industry rules require a business to consider the needs, characteristics and objectives of their customers, at every stage of their journey. This includes providing support through other channels where necessary.

In this case I don't find that BISL provided adequate support to its customer Ms B when she contacted it in May 2025. BISL accepts that there were system and service failures.

BISL provided a pro rata refund for the cancelled policy to Ms B in June 2025. And it waived its cancellation fee which I agree it should have done. I understand Ms B wants a refund of the premium she paid for insurance from the start date in February 2025. She says cover essentially wasn't in place during this time. But I don't have evidence that Ms B updated her policy for a number plate change until May 2025. I think it's reasonable to have contacted BISL in March 2025 if Ms B didn't receive any acknowledgement of the change in number plate under her policy. So I think BISL's decision to provide a refund from May 2025 is fair.

However I think BISL should increase the compensation it paid Ms B for its service failings from £75 to £150. I think this amount is in line with awards we give in similar cases and reflects the degree of distress and inconvenience caused.

## **My final decision**

For the reasons I've given above, my final decision is that I uphold this complaint. I require BISL Limited to pay Ms B £75 compensation in addition to the £75 already paid (if it hasn't already paid it, to pay a total of £150) for the distress and inconvenience caused.

BISL Limited must pay the compensation within 28 days of the date on which we tell it Ms B accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If BISL Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Ms B how much it's taken off. It should also give Ms B a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 4 February 2026.

Geraldine Newbold  
**Ombudsman**