

The complaint

Mr N complains about Somerset Bridge Insurance Services Limited trading as Go Skippy Insurance ("SBIL") and the payments they took following the cancellation of his motor insurance policy.

What happened

The claim and complaint circumstances are well known to both parties. So, I don't intend to list them chronologically in detail. But in summary, Mr N held a motor insurance policy arranged by SBIL when he contacted them to cancel it in March 2025.

SBIL agreed to waive their cancellation fee, before advising of the outstanding premium payment required from Mr N. He paid this amount in April 2025, but SBIL chased him for a new, lesser amount before a further direct debit premium payment was taken in the same month, despite the policy being cancelled. So, he raised a complaint.

SBIL responded to the complaint and upheld it. In short, they accepted the outstanding premium payment calculated in March 2025 and paid by Mr N in April 2025 failed to correctly consider a direct debit payment in process at the time. And while they recognised Mr N had been refunded £75.87 in April 2025, they accepted this should have been for a full premium payment of £83.07 instead. So, they paid Mr N a total of £102.45 compensation to recognise the above. Mr N remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and upheld it, following pushback to their initial outcome. Both parties have had sight of these outcomes, so I won't be recounting them in detail. But to summarise, our investigators set out their final position that they were satisfied SBIL had failed to recognise, or refund, a second premium payment taken in April 2025, after the policy had cancelled. So, they recommended SBIL refund Mr N this payment and pay 8% interest on this amount from the date of payment to the date of refund. And, to recognise the continued inconvenience and emotional impact caused to Mr N, they recommended SBIL pay an additional £100 compensation.

It appears Mr N accepted this recommendation, as I can't see he raised any objections to it. But SBIL didn't respond so I must assume they didn't accept the recommendation proposed. So, the complaint has been passed 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'm upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

I note it's been accepted by SBIL in their complaint response, and subsequent conversations with our service, that Mr N's premium calculations following his cancellation were calculated incorrectly. So, my decision has been made on this basis.

It's accepted by SBIL that Mr N's original premium settlement of £128.32 was calculated without taking into consideration the outstanding March 2025 premium payment of £83.07 that was being processed at the time. And, that both these payments were made, which ultimately meant Mr N paid £83.07 more than he should have.

So, because of the above, I agree with SBIL that Mr N should have been refunded the £83.07 that related to his March premium payment. And, that SBIL acted unfairly when only refunding him £75.87. To recognise this error, as well as the initial error when calculating the outstanding premium settlement, SBIL paid Mr N £102.45 compensation. And I'm satisfied this was a fair compensatory amount, that adequately recognised the emotional and financial impact caused to Mr N by these errors, which includes the time he spent without access to the difference between the £83.07 premium he paid, and the £75.87 refund he was given initially.

But crucially, I'm not satisfied the above recognises, or addresses, the fact that in addition to the above, Mr N's bank statements show an additional premium payment of £83.07 was taken in April 2025, after the policy had been cancelled and after Mr N had paid the full, incorrect premium settlement of £128.32.

So, I'm satisfied SBIL acted unfairly when taking this payment and that it hasn't been appropriately addressed in their complaint response. So, I've then turned to what they should do to put things right.

Putting things right

When deciding what SBIL should do to put things right, any award or direction I make is intended to place Mr N back in the position he would have been in, had SBIL acted fairly in the first place.

In this situation, had SBIL acted fairly, they would have ensured Mr N's policy was cancelled appropriately so no further premium payments were taken by direct debit after it had been cancelled. But they failed to do so.

This resulted in Mr N being without access to the £83.07 payment that was taken unfairly in April 2025. So, to recognise this financial impact, SBIL should refund Mr N this amount and apply 8% simple interest on it, from the date the payment was taken to the date of refund.

Our investigator also recommended SBIL pay an additional £100 compensation to recognise the impact this error had on Mr N. And having considered this, I'm satisfied it's a fair one that falls in line with our services approach and what I would have directed, had it not already been put forward.

I'm satisfied the payment is significant enough to recognise that this error occurred following previous errors with the original settlement calculation, and requests for payment. And that it fairly considers the cumulative impact on Mr N, which I've no doubt would have been both frustrating and inconvenient, requiring him to engage with SBIL directly on several occasions to put forward his position and seek a resolution.

But I'm satisfied it does also fairly consider the fact that SBIL's initial complaint response, which considered the original settlement calculation and the failure to note the March payment that was in process, compensated Mr N for these issues. So, the additional £100

payment is one I'm now directing SBIL to make.

My final decision

For the reasons outlined above, I uphold Mr N's complaint about Somerset Bridge Insurance Services Limited trading as Go Skippy Insurance and I direct them to take the following action:

- Refund Mr N the £83.07 premium payment taken in April 2025;
- Apply 8% simple interest on this amount from the date of payment to the date of refund; and
- Pay Mr N an additional £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 29 December 2025.

Josh Haskey
Ombudsman