

The complaint

Mr C complains about Somerset Bridge Insurance Services Limited trading as Vavista's service in connection with his motor insurance policy. Amongst other things he believed it failed to accurately calculate the balance owing when his policy was cancelled. He also raised a number of other points about Somerset Bridge's service.

What happened

Somerset Bridge sold Mr C a motor insurance policy in June 2024. Shortly after Mr C took out the policy Somerset Bridge asked him to produce some documents including proof of his no claims bonus. It said that if Mr C didn't provide that proof, in the appropriate format, it would cancel the policy. It then cancelled his policy in July 2024. However, in August 2024 it agreed to reinstate the policy. It said it would do so on the same terms as the cancelled policy.

In April 2025 Mr C didn't make a scheduled payment towards his policy premium and Somerset Bridge then cancelled his policy. It told him he still owed a balance of £723.71. Mr C didn't think that was fair. In a phone call Somerset Bridge told him that amount wasn't correct and he actually owed in the region of £502. Mr C complained and spoke with one of Somerset Bridge's managers. The manager agreed to waive £50 of the outstanding balance as a goodwill gesture and said he would refer the matter to their finance department to calculate the correct outstanding balance. Having done so Somerset Bridge responded to Mr C's complaint. It said that his outstanding balance was £722.49. After deducting the £50 goodwill gesture that amount reduced to £672.49.

Mr C brought his complaint to the Financial Ombudsman Service. One of our Investigators looked into it. She asked Somerset Bridge for more information. It didn't respond so, in October 2025, our Investigator recommended the complaint be upheld. She said that Somerset Bridge should write off the outstanding balance and pay Mr C £200 compensation for his distress and inconvenience. At that point Somerset Bridge provided further information. Having considered that our investigator didn't think Somerset Bridge needed to take any further action.

Mr C didn't agree with our Investigator's complaint assessment. As the matter remains unresolved it's 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.

Having reviewed the evidence on file I wasn't satisfied that Somerset Bridge had provided enough information to enable me to arrive at a fair and reasonable outcome. In particular I wasn't certain that it had fairly addressed all of Mr C's points of complaint. So, on 19 December 2025 I instructed our Investigator to ask it for further information, setting a deadline for a response of 9 January 2026. Somerset Bridge didn't respond. We chased it for a reply explaining that if it didn't do so I would most likely uphold the complaint and make an award for compensation similar to that our Investigator recommended in October 2025.

Somerset Bridge asked for additional time to respond. We gave it until 23 January 2026, which was five weeks from our original information request date. I'm satisfied that gave Somerset Bridge ample time to reply. We explained that if it didn't reply I would arrive at a decision based on the information currently held.

Somerset Bridge has not replied to our information request. As such I can't be satisfied that it has handled the events leading to this complaint fairly. Likewise, it follows that I can't be certain it has accurately calculated Mr C's outstanding balance or dealt with him reasonably overall. As a result I now uphold the complaint and instruct Somerset Bridge to write off any outstanding balance and pay Mr C £200 compensation for his distress and inconvenience.

I'll add that I'm aware that Mr C didn't think the £200 compensation our Investigator originally recommended was enough. That was because he thought Somerset Bridge had unfairly held on to a refund of his premium, in the sum of £245.52, which the policy underwriter repaid to it. Mr C agreed it was reasonable for Somerset Bridge to deduct a £75 cancellation fee from that amount. But he thought Somerset Bridge owed him the balance of £170.52. So he thought a compensation payment of £200 was only £29.48 more than Somerset Bridge owed to him. But I'm satisfied he's mistaken on that point.

That's because Somerset Bridge is an insurance broker not an underwriter. So it sells policies and might help with their administration but it doesn't actually provide the cover or apply a charge for the time on cover. That is done by the underwriter which is a separate business. It is the underwriter that charged the policy premium.

When Mr C took out the policy, the policy underwriter charged its full premium of £1,718.63 for the year. It did not offer that premium in monthly instalments and required the sum to be paid in one go. But because Mr C wanted to pay in monthly instalments Somerset Bridge paid the full amount of the premium – £1,718.63 – to the policy underwriter when Mr C took out the policy. It then recovered that sum, as well as its own fees and the charge for credit, in monthly instalments from Mr C. So, in effect, Somerset Bridge essentially arranged to loan Mr C the £1,718.63 and then started recovering that amount from him.

The policy was due to end on 3 June 2025. But, because it was cancelled early, on 11 April 2025, the underwriter only charged for the period it provided the cover for. To recognise that it issued a revised policy schedule which said that it had refunded £245.52 to Somerset Bridge. However, that money was not owing to Mr C. That's because, again, it was Somerset Bridge that had paid the underwriter the full premium of £1,718.63 up front. So the amount it refunded – £245.52 – was owing to Somerset Bridge and not to Mr C. As a result I'm satisfied that Somerset Bridge has not unfairly retained that sum.

I'll add that Mr C himself agreed that he probably did still owe a balance to Somerset Bridge although he doesn't know exactly how much that should have been. I can understand that given the various amounts Somerset Bridge mentioned. But given that I am instructing Somerset Bridge to write off the entire balance outstanding, any sum he did previously owe will now form part of the compensation payable to him for his distress and inconvenience.

Putting things right

As Somerset Bridge has not provided sufficient evidence to convince me it has handled matters fairly, I require it to:

- Write off any balance outstanding on Mr C's account and cease any collection activity.
- Pay him £200 compensation for his distress and inconvenience.

My final decision

For the reasons given above I uphold this complaint. I require Somerset Bridge Insurance Services Limited trading as Vavista to take the steps set out above under the heading 'putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 25 February 2026.

Joe Scott
Ombudsman