

## **The complaint**

Mr and Mrs S have complained that Rock Insurance Services Limited mis-sold them an annual travel insurance policy.

As it is Mrs S leading on the complaint, I will mostly just be referring to her in this decision.

## **What happened**

In June 2023 Mrs S took out the policy online. But she had rung Rock in advance of completing that process to check on a couple of things. In particular she wanted to ensure that she would have cabin confinement, missed excursions and missed port departure as part of the cruise cover element. She was assured all of that was covered as standard and so she went ahead and bought the policy.

When Mrs S subsequently contacted the insurer to enquire about making a claim, she found out that she wasn't covered. So, she made a complaint to Rock that the policy had been mis-sold.

Rock accepted that it had provided incorrect information and so it upheld the complaint. It apologised for this and for the inconvenience of being unable to make a successful claim and offered her £20 compensation.

Our investigator didn't think that Rock had done enough to put things right. So, she recommended that it should refund the entire premium, plus 8% interest. She also thought that Rock should pay £150 for the inconvenience caused.

Rock responded with a counter-offer. It said that it was unable to provide a full refund of the premium as Mrs S had made a cancellation request outside of the 14 day cooling off period, so it could only provide a proportionate refund as per the terms and conditions. It offered instead to refund eleven months of premium, plus 8% interest. It also offered £100 compensation for inconvenience. Mrs S declined this offer.

As the parties disagree, 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.

When considering what is fair and reasonable, I'm required to take into account relevant law and regulations and, where applicable, good industry practice at the time.

Rock says it can't provide a full refund, for the reasons set out above. But that's treating matters as if this is a routine case where someone has requested to cancel an annual policy outside of the cooling off period. In such a case it would be appropriate to provide only a pro-rata refund.

However, in this case, the policy was mis-sold. There is no dispute that Rock provided incorrect information. So, the timeframe in which Mrs S requested to cancel the policy is irrelevant. I'm looking at what would be an appropriate remedy for the shortcomings that occurred. And part of that is looking at what detriment Mrs S suffered as a result of the failings.

Rock's obligation was to provide Mrs S with information that was clear, fair and not misleading in order to put her in a position where she could make an informed choice about buying the insurance.

Mrs S requested to cancel this policy and paid for a new annual policy with a different provider to get the cover that she had wanted all along.

Based on the available evidence, I'm satisfied that Mrs S would not have gone ahead with the purchase if she had been properly informed. That is because the policy did not provide the cover that she was particularly interested in.

Therefore, appropriate redress would be to put Mrs S back in the position that she would have been in had she not taken out the policy. So, I agree with our investigator that Rock should put things right by:

- Refunding the full premium amount
- Adding 8% simple interest to the premium amount from the time it was paid until the time Mrs S gets it back.†
- Pay £150 compensation for distress and inconvenience

† HM Revenue & Customs requires Rock to take off tax from this interest. Rock must give Mrs S a certificate showing how much tax it's taken off if she asks for one.

### **My final decision**

My decision is that I uphold Mr and Mrs S's complaint and require Rock Insurance Services Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 31 July 2024.

Carole Clark  
**Ombudsman**