

The complaint

Mrs S, Mr S and Mrs S1 complain that Rock Insurance Services Limited wrongly applied a discount code to the policy price when they bought a travel insurance policy from it. They also complain about Rock's service. Mrs S and Mrs S1 are represented by Mr S in this complaint.

What happened

Mr S bought a travel insurance policy for himself, Mrs S and Mrs S1 through Rock using a 10% discount code on the cost of the policy.

Mrs S, Mr S and Mrs S1 complain that the price they had to pay for the policy was higher than expected as the full 10% discount hadn't been applied. The insurance price quoted to Mr S was £434.45 and the final price he had to pay on 9 February 2023 was £415.16, which meant 4.5% discount was applied. They also complain about Rock's delays in responding to their complaint about the discount. They want the full discount refunded and compensation for Mr S' inconvenience and stress in chasing Rock to respond to their complaint.

After Mrs S, Mr S and Mrs S1 complained to us Rock emailed Mr S a response to the complaint. Rock said it had correctly applied the discount at the policy sale as the discount only applied to the basic travel insurance price, not the extra medical screening cover in the travel policy, and there'd been medical screening for Mr S and Mrs S. Rock accepted it delayed in responding to the complaint and offered £25 to acknowledge the inconvenience caused.

Mr S said it wasn't clear in the information he'd seen before or at the point of buying the policy that the 10% discount to the price excluded the medical screening cover.

Our investigator asked Rock for the terms and conditions for the discount code and for screenshots of the policy purchase process to see how the discount terms were set out to Mr S.

Rock didn't respond so our investigator recommended Rock pay Mrs S, Mr S and Mrs S1 £24.16, which is the difference between the policy price they paid and the total quoted price less 10%, plus interest.

Our investigator said our service couldn't consider Mrs S, Mr S and Mrs S1's concerns about Rock's delay in responding to their complaint so she couldn't comment on whether its offer of £25 compensation was fair.

Rock didn't respond to our investigator's recommendation. Mrs S, Mr S and Mrs S1 accepted the recommendation.

Before I made a decision we contacted Mrs S, Mr S and Mrs S1 to say I thought I could consider their complaint about Rock's delay in handling their complaint. Separate from whether Rock should pay them the full discount amount on the policy price, I currently

thought Rock's offer of £25 compensation for Mr S' inconvenience due to its delay was a fair amount. I understood they were content with that offer and asked for their comments.

Mrs S, Mr S and Mrs S1 said the settlement value they received had to be close to what our investigator had already suggested, approximately £50. They emphasised Mr S had tried to resolve the complaint amicably but Rock hadn't responded until they complained to us.

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.

Rock arranges and administers the insurance policy Mrs S, Mr S and Mrs S1 bought. The policy certificate doesn't say that Rock was arranging the policy as an agent for the insurer. So I'm satisfied that Rock is the relevant business for this complaint to be about.

Our investigator asked Rock to provide its information about this complaint several months ago but Rock hasn't responded to any of the chasing emails we sent it. I think Rock has had a reasonable amount of time to provide the information and it's fair for me to make a decision on the evidence I have.

Rock says it correctly applied the 10% discount only to the basic travel element of the policy, not the cost of medical screening cover for Mrs S1 and Mr S, so the £415.16 paid was correct.

But Rock hasn't provided any evidence that the terms of the discount said the 10% discount only applied to the basic travel element of the policy. Even if the terms did say so, Rock hasn't provided any evidence that the terms were clearly communicated to Mr S before or during the policy sale process. Mr S says he wasn't told the 10% discount didn't apply to the whole cost of the policy and I've seen no evidence that he should have reasonably been aware that the 10% discount only applied to the basic travel element of the policy.

I've seen no evidence that Rock acted fairly and reasonably when it applied the 10% discount only to the basic travel element of the policy price.

The insurance price before discount quoted to Mr S was £434.45. 10% is £43.44 so from what I've seen Mr S reasonably understood the final price would be £391. I think Rock should pay Mrs S, Mr S and Mrs S1 £24.16. That's the difference between the price actually paid (£415.16) and the price the policy would have been if the 10% discount had been applied to the total quoted price (£391). Rock should add interest as I've detailed below.

I think I can consider whether Rock's offer of £25 compensation for Mr S' inconvenience due to its delay in responding to the complaint was fair. That's because the relevant rules which set out what we can and can't consider mean we can consider a consumer's complaint if it relates to the continuation of the financial service in question, or how a firm administered its business in relation to that service. And I think Mrs S, Mr S and Mrs S1's complaint about Rock's delay in responding to their complaint about how it arranged insurance is a complaint we can consider.

I've taken into account Mrs S, Mr S and Mrs S1's comments and I think Rock's offer of £25 compensation for Mr S' inconvenience and stress in chasing Rock to respond to their complaint was fair. Rock should pay that compensation in addition to the £24.16 plus interest, which will give them the approximately £50 they said they expected and accepted.

Putting things right

Rock must pay Mrs S, Mr S and Mrs S1 £24.16 plus interest as I've detailed below and £25 compensation for Mr S' inconvenience due to its poor service.

My final decision

I uphold this complaint and require Rock Insurance Services Limited to pay Mrs S, Mr S and Mrs S1:

- £24.16 plus interest* at 8% simple a year from 9 February 2023 to the date the outstanding payment is made, and
- £25 compensation for Mr S' inconvenience due to its poor service (as it had offered).

*If Rock Insurance Services Limited considers that it's required by HM Revenue & Customs to take off income tax from that interest it should tell Mrs S, Mr S and Mrs S1 how much it's taken off. It should also give them a certificate showing this if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S, Mr S and Mrs S1 to accept or reject my decision before 28 December 2023.

Nicola Sisk
Ombudsman