

The complaint

Mr and Mrs B complain Rock Insurance Services Limited made an error with their travel insurance policy.

What happened

Mr and Mrs B took out a single trip travel insurance policy, sold by Rock Insurance and underwritten by a company I will refer to as 'Insurer X'.

They had been intending to travel to country A in August 2021, but their plans changed due to Covid-19 and they had to cancel. They decided to book a new holiday travelling to country B, a year later in August 2022. They contacted Rock Insurance to ask if their insurance policy could be amended to cover their new holiday. And Rock Insurance agreed to make changes to the policy.

Rock Insurance sent Mr and Mrs B a confirmation showing the trip dates had been amended, but the destination country was still shown as country A.

Shortly before their trip was due to start in August 2022, Mr and Mrs B said they downloaded their insurance documents, and noticed that the country they were covered to travel to was still shown as country A, so had not been updated. And they emailed Rock Insurance about this.

Mr and Mrs B said they didn't get a response to their email, other than an automated acknowledgement which said they would get a reply within two working days. They said they also tried calling, but their calls were not answered after waiting for over an hour each time. And on one occasion when calling in the morning, they said a recorded message told them the line was being closed due to the volume of calls.

Mr and Mrs B said on the morning of the day they were due to travel, having still had no response from Rock Insurance to their email, and having been unable to make contact by phone, they took out another travel insurance policy elsewhere, as they wanted to ensure they had cover for their trip.

After returning from their holiday, Mr and Mrs B made a complaint. They received acknowledgements from Rock Insurance, but no answer, so they brought their complaint to this service.

An investigator here looked into what had happened and said they thought the complaint should be upheld and the premium refunded, with interest. Plus £100 in compensation for the distress and inconvenience caused.

Mr and Mrs B accepted the investigator's view. However, Rock Insurance didn't reply. As Rock Insurance did not respond to accept or reject the view, the case has been passed to me to make a final 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.

And I've looked at the relevant rules and industry guidelines, which say Rock Insurance must act fairly and professionally.

I've reviewed the emails between Mr and Mrs B and Rock Insurance from 2021, when they got in touch about amending their policy. Rock Insurance agreed to make changes and I'm satisfied Mr and Mrs B clearly stated the destination of their trip was changing from country A to country B, as well as the dates of the trip.

Rock Insurance responded asking about any changes in health and once this was completed, it confirmed there was no change to the cost of the insurance and sent a confirmation showing the new dates. However, the destination country was still country A.

It seems clear to me that Rock Insurance made an error in overlooking the part of Mr and Mrs B's request about the change in their destination, and only amended the dates of the policy. The new documents it issued to Mr and Mrs B still showed country A, and the consumers did not raise this at the time. They said they didn't notice this until shortly before their trip.

I've thought carefully about this, and although I'm satisfied Rock Insurance made an error, I also think Mr and Mrs B had a responsibility to check their policy was correct and matched what they had asked for. And I'd reasonably expect them to notify the broker if this was incorrect.

Mr and Mrs B contacted Rock Insurance once they say they spotted the error, but got no response. And they used email as well as making several attempts to get in touch by phone. They've provided an itemised phone bill which shows seven calls to Rock Insurance in July 2022. Two of these calls lasted more than an hour, and Mr and Mrs B say they were just on hold and their calls were unanswered. Rock Insurance has provided no evidence to the contrary, so I accept what Mr and Mrs B have said. And I don't think there is any more they could reasonably have been expected to do in the circumstances.

As Mr and Mrs B didn't receive any response from Rock Insurance by email or phone by the morning of their departure, I think it's reasonable that they sought an alternative policy to ensure they were covered. Because of this, I'm satisfied that Insurer X was not on risk for their trip. Firstly, because they had obtained alternative cover which they could have relied on in the event of a claim and secondly, because their policy with Insurer X was most likely invalid, due to the incorrect destination country recorded by Rock Insurance.

Putting things right

In in these particular circumstances, Rock Insurance should provide Mr and Mrs B with a refund of the policy premium they paid, together with interest. The destination country was incorrect because of Rock Insurance's error, I don't think the insurer was on risk from the point the trip dates were amended. And so I don't think it is fair that the premiums have been retained.

I also agree with the investigator that Mr and Mrs B should be paid £100 for the overall inconvenience caused to them by the error and being unable to get in touch with Rock Insurance to rectify the problem, as well as having to obtain another policy to ensure they had cover.

My final decision

For the reasons I've given, it's my final decision that I uphold this complaint and direct Rock Insurance Services Limited to do the following:

- pay Mr and Mrs B £59.49 which is the premium they paid for the insurance policy;
- add interest to the refund amount at 8% from 22 July 2022, which is when Mr and Mrs B first attempted to contact Rock Insurance about the error, until the date of settlement; and
- pay £100 for the overall distress and inconvenience caused.

Rock Insurance Services Limited must make payment within 28 days of the date on which we tell it Mr and Mrs B accept 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 8% simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr B to accept or reject my decision before 13 September 2023.

Gemma Warner
Ombudsman