

The complaint

Mrs and Mr F complain that Rock Insurance Service Limited sent their travel insurance documentation to a third party without their consent.

Rock is the intermediary for this policy. Part of this complaint concerns the actions of a travel agent. As Rock has accepted it's accountable for the actions of the travel agent in my decision any reference to Rock includes the actions of the travel agent.

What happened

Mrs and Mr F bought single trip travel insurance at a travel agent which is Rock's representative. Rock told Mrs and Mr F that it had mistakenly sent their policy documents to a third party, they didn't know, without their consent. The third party had told Rock about the documents.

Mrs and Mr F complained that:

- Rock's error meant that whoever received their personal details knew the date they would be on holiday and their property would be empty which meant they were at risk of being burgled.
- Rock's error also meant the unknown third party was given their bank account/credit card details and they were very worried about their financial details being used fraudulently. Rock had said it would put them on an anti-fraud register for two years but they want registration for ten years.
- Rock's error caused considerable tension and upset between them, Mrs F wanted to cancel the holiday but Mr F didn't. Eventually they had to arrange for their daughter to stay at their property while they were on holiday so the property wasn't empty. While on holiday they were worried about their daughter being alone in the property given an unknown third party thought the house was empty.
- They want Rock to pay them compensation to recognise the distress its error caused.

Initially Rock didn't respond to our investigator's request for its file. So our investigator made a recommendation on the information she had that Rock should pay Mrs and Mr F £300 compensation for their distress and inconvenience its actions caused.

Mrs and Mr F said they accepted the settlement of £300 but were disappointed we couldn't give any sanctions to Rock because of its error and they were still concerned about registration on the anti-fraud register.

Rock provided its file and comments after it received our investigator's recommendation. It accepted it had caused a breach of Mrs and Mr F's personal data but it didn't think it should pay them compensation. It said:

- The third party who received Mrs and Mr F's data didn't have any malicious intention, if so they wouldn't have told Rock they had Mrs and Mr F's information.
- It had recorded a data breach in line with General Data Protection Regulations and completed Information Commissioner's Office (ICO) documentation about the breach.
- It had offered to pay for two years of CIFAS protective registration (a fraud prevention service) for Mrs and Mr F which was appropriate compensation as it lessened the risk of any fraudulent activity against them.
- Mrs and Mr F's complaint was a matter for the ICO to consider, not this service.

Our investigator considered Rock's evidence and said her original recommendation for compensation remained and also Rock should confirm to Mr and Mrs F that the two years of CIFAS protective registration was in place.

Mrs and Mr F added that they thought Rock had treated them with 'disrespect and disdain' by not responding to their original complaint which should also be considered.

Before I considered the merits of this complaint I made a decision explaining why this service could consider the complaint.

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.

Our investigator correctly explained that we don't regulate businesses, so we can't punish or fine businesses for any errors they make. The ICO regulates compliance to data protection laws in the UK. It has a number of powers including the power to order businesses to comply with data protection laws and to fine them, which we don't.

But the ICO doesn't have the power to award compensation to consumers who've suffered financial loss or have been caused distress and inconvenience by the way a financial business has handled their personal information.

We can consider whether a business should pay compensation for a consumer's distress and inconvenience for an error it makes if the error relates to a regulated activity that we can consider, as it does in this case. Mrs and Mr F want Rock to pay them compensation for their distress and inconvenience.

Rock accepts it was responsible for a data protection breach of Mrs and Mr F's details when it sent their personal information to a third party. The issue I have to decide is whether Rock's offer to pay for two years of CIFAS protective registration, which will cost Rock £25, is sufficient compensation for Mrs and Mr F, and I don't think it is.

Rock said Mrs and Mr F shouldn't have been worried because the third person told it they had Mrs and Mr F's documents and data. But I think Mrs and Mr F were reasonably concerned about the possible implications of a third party, who they didn't know, having their personal information.

It's clear from Mrs F's correspondence with Rock how upset and concerned she was about its breach of her and her husband's personal information. As it was a single trip travel insurance policy the third person who wrongly got Mrs and Mr F personal data knew the dates they would be on holiday.

Mrs and Mr F say the worry caused them considerable distress and inconvenience. Mrs F's described the impact on her and Mr F's relationship before and during their holiday and the additional cost they paid due to their daughter staying at their property. And they are very anxious about the ongoing risk of their financial details potentially being used fraudulently. I accept Rock's breach of Mrs and Mr F's personal information caused them considerable distress and inconvenience.

Our investigator has explained that we don't award compensation for hypothetical situations, so my compensation award doesn't reflect any 'what if there was fraud' scenarios. I've no evidence that fraud has taken place as a result of Rock's data breach of Mrs and Mr F's personal information. If that unfortunately happens it would be a separate matter.

Mrs and Mr F say Rock treated them with 'disrespect and disdain' in not responding to their original complaint. I haven't seen that Rock gave a substantive response to the complaint. But I have seen it sent them acknowledgement letters and letters about the delay in its response. It told Mrs and Mr F they could complain to us. Rock didn't completely ignore all of Mrs and Mr F's correspondence. I can't reasonably say Rock treated them with 'disrespect and disdain'.

In all the circumstances I'm satisfied that a compensation award of £300 is a fair and reasonable amount for Rock to pay Mrs and Mr F for their distress and inconvenience.

I'm not going to require Rock to extend the CIFAS registration for Mrs and Mr F from two years to ten years, as they request. The CIFAS website says under the heading of 'Renewing Protective Registration':

'Protective Registration is most effective in the first few months of your loss of personal data. Fraudsters try to gain the maximum benefit from the data before the fraud is detected and the victim's details protected. Continuing to use Protective Registration after the threat has diminished devalues the service, as more applications are subject to checks, and so those most at threat are harder to identify'.

So on the evidence I have I think Rock's offer to register Mrs and Mr F for two years is reasonable. It should provide confirmation to Mrs and Mr F that the two years of CIFAS protective registration paid for by Rock is in place.

Putting things right

Rock must pay Mrs and Mr F £300 compensation for their distress and inconvenience it's caused and confirm to them that the two years of CIFAS protective registration that it's paid for them is in place.

My final decision

I uphold this complaint.

I require Rock Insurance Services Limited to:

- pay Mrs and Mr F £300 compensation for their distress and inconvenience it's caused, and
- confirm to Mrs and Mr F that the two years of CIFAS protective registration that it's paid for them is in place.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 7 April 2023.

Nicola Sisk

Ombudsman