

The complaint

Ms M complains that Rock Insurance Services Limited ["Rock"] cancelled her travel insurance policy while she was on holiday and failed to return the premium she paid.

What happened

The background to this complaint is well known to the parties, so I've provided a summary here.

- Ms M took out a travel insurance policy underwritten by Rock at the same time as she purchased a holiday. She completed the application process and went through health screening for a pre-existing condition she had experienced.
- The policy was accepted, Ms M paid the premium and Rock issued documentation to Ms M. Shortly after she arrived on holiday, she received notification from Rock that her policy had been cancelled as she was over the maximum age for which Rock would offer travel insurance.
- She complained to Rock and then raised a complaint with this service. Our Investigator asked Rock to provide evidence to explain its side of the story but despite a number of reminders, it failed to provide anything. Eventually, the Investigator issued his findings based on the information he had available.
- He upheld the complaint and told Rock to refund the policy premium Ms M had paid together with 8% interest, pay Ms M £300 for the distress it had caused and remove any reference to the cancellation of the policy on any insurance database.
- Ms M accepted the findings but Rock didn't respond, so the complaint has come to me for an Ombudsman's 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.

- This Service asked Rock for evidence to support its side of the story on 24 July 2023, 9 August 2023, 17 August 2023, 21 August 2023 and 22 August 2023 but it failed to respond. It also hasn't responded to our Investigator's findings on the complaint.
- Ms M has provided some policy documentation and correspondence with Rock but this is incomplete. However, it's clear the key documentation such as the medical screening acceptance and complaint confirmation have been sent by Rock.
- Additionally, our Investigator was able to obtain a copy of the insurance policy documentation for policies sold by Ms M's holiday company, which confirms the policy was arranged by an authorised representative of Rock. It's possible Rock may have been acting as an agent of the insurer, but given the total evidence I have

available and in the absence of anything from Rock to the contrary, I'm satisfied Rock is responsible for this complaint relating to its sale of the policy. I'll be proceeding with my decision on that basis.

- Given the number of times we've asked Rock for information, I'm satisfied that it's had ample opportunity to provide its evidence and comments on the outcome but has chosen not to. In the absence of anything from Rock, I have little choice but to reach my decision based on what information I *do* have.
- Following medical screening in March 2023, Rock confirmed acceptance of cover and issued policy documentation to Ms M. On 21 April 2023, the day before she was due to travel, Ms M was emailed to say her policy had been cancelled as Rock didn't provide cover for travellers over the age of 70.
- It's clear from the documentation on file that Ms M provided her date of birth to Rock when she took out the policy and from this it's clear she's over the age of 70. Indeed, the medical screening acceptance in March 2023 clearly quotes Ms M's date of birth so I'm satisfied Rock ought to have been aware she was over its maximum age for insurance cover from the outset and it should have informed her accordingly at the time.
- Ms M says she only read the cancellation email once she arrived at her holiday destination and given her concerns about her previous serious health issues, I can understand why suddenly finding she had no insurance cover was so distressing for her and why it ruined the holiday as she's explained.
- If Rock had let Ms M know from the outset she was too old for the insurance cover, this would have given her plenty of time to make alternative arrangements. But because it didn't, it's caused Ms M distress and inconvenience and I have decided it should pay Ms M £300 to reflect this.
- Ms M says Rock has never refunded her premium following the policy cancellation. So, in addition, Rock should refund the premium Ms M paid together with interest at 8% simple per annum on this amount from the date she paid the premium to the date it makes the refund.

My final decision

My final decision is that I uphold this complaint and direct Rock Insurance Services Limited to:

- Pay Ms M £300 for the distress and inconvenience it caused her.
- Refund the premium she paid together with interest at 8% simple per annum* on this amount from the date she paid the premium to the date it makes the refund.
- Remove any reference to the policy cancellation from insurance databases.

Rock Insurance Services Limited must pay the compensation within 28 days of the date on which we tell it Ms M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

* If Rock Insurance Services Limited considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Ms M how much it's taken off. It should also give Ms M a tax deduction

certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 27 October 2023.

Paul Phillips
Ombudsman