

The complaint

Mr W says Thistle Insurance Services Limited mis-sold him a music insurance policy.

What happened

Mr W took out music insurance through Thistle which commenced in February 2022 and covered performing in the UK and worldwide. At the time he asked Thistle if this included cover for costumes. The adviser said it didn't. In October 2022 he contacted Thistle again and asked if costumes could be included on the policy. It told him this could be covered under music related equipment and that was added to his policy. Mr W called Thistle in July 2023 and it confirmed costumes were covered and the relevant cover limit was increased.

Mr W contacted Thistle in September 2023 following receipt of renewal documentation. As part of those discussions it became clear his policy didn't in fact cover costumes. Mr W was extremely unhappy he'd previously been told that was included and said the lack of cover would have caused him significant problems if he'd needed to make a claim.

Thistle accepted it had wrongly told Mr W his policy covered costumes and agreed to refund the additional premiums he'd paid for this. And it offered to pay him £50 in recognition of the distress and inconvenience it caused him.

Our investigator thought that was a fair way of resolving the complaint. Mr W didn't agree. He said as an independent artist he'd have lost everything if something happened and he didn't have insurance in place. And he'd taken steps to ensure he always had his costumes with him (as he thought was required by the policy) including taking taxis when he was away at festivals. So I need to reach 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.

I understand this was a non-advised sale. That means under the relevant rules Thistle didn't need to check whether the policy was suitable for Mr W but it did need to provide him with clear, fair and not misleading information so he could decide whether it was right for him. I don't think it's in dispute it didn't do that here. It's accepted it wrongly told Mr W his costumes could be covered under his policy and he extended cover on the basis of that information. But, where a business has been at fault, I then need to consider in line with our normal approach what the impact of that has been on the person bringing the complaint.

In this case I appreciate Mr W was distressed to find he wasn't covered for his costumes for the period in question. It's clear these are very important to him. He told us he'd saved up for and built his collection over many years. And he explained how much of an impact it would have had were something to have happened while he was uninsured.

But if something had happened, which would have been covered but for what Thistle got wrong, it's likely I'd have required it to take action to address that. Fortunately, that didn't

happen. So it isn't something I need to address in this decision. What I do need to consider is the impact on Mr W of what actually took place – and the issue here is he paid for an insurance product (costume cover) he didn't receive and was caused distress when he realised that was the case.

Thistle has agreed to refund the premiums Mr W paid for the additional cover he took out which I think is fair. And it's also agreed to pay him £50. I appreciate Mr W doesn't feel that's enough but his arguments centre around the fact something could have happened while he was uninsured. As I've already explained, as that didn't happen, it's not something I can direct Thistle to compensate him for.

And while he's mentioned, for example, taking taxis to ensure he complied with the terms of his policy I think that's likely something he'd have done anyway given what he's said about the importance of his costumes to him. I do understand it would have been upsetting for him to learn he didn't have cover in place and I agree that isn't something Thistle should have got wrong. But I think the £50 it's already offered is enough to recognise the impact of its error on Mr W.

My final decision

Thistle has already made an offer to pay £50 and refund the premiums Mr W paid for the additional cover he took out. And for the reasons I've explained I think this offer is fair in all the circumstances. So my decision is that Thistle Insurance Services Limited will need to refund Mr W the premiums he paid for additional cover and pay him £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 3 April 2024.

James Park
Ombudsman