

The complaint

Mr and Mrs H have complained that Makesure Insurance Services Ltd ('Makesure') provided incorrect information to them about their travel policy.

All reference to Makesure includes any agents acting on its behalf.

What happened

Mr and Mrs H bought an annual multi trip travel insurance policy online in December 2022. This covered Area 7 – Europe and specified geographic locations.

In August 2023, they were planning on booking a cruise and enquired about adding worldwide cover. Makesure said worldwide cover couldn't be added to their policy and provided a quote for a single trip policy but Mr and Mrs H found it was too expensive. It then provided another quote for the same annual multi trip policy Mr and Mrs H already had. Mr and Mrs H asked whether this included worldwide cover as requested and Makesure confirmed that it didn't and it had mistakenly provided the second quote.

Mr and Mrs H complained. Makesure apologised but didn't think any loss had been suffered. Mr and Mrs H wanted a refund of premiums for the remaining 4 months of the original policy and referred their complaint to the Financial Ombudsman Service.

Our investigator looked into the complaint and found that Makesure could have provided clearer guidance and information when Mr and Mrs H enquired about worldwide cover. He recommended £100 compensation due to the frustration caused to them.

Makesure agreed but Mr and Mrs H didn't. In summary, they said Makesure had been 'let off the hook' and they had hoped by reporting this, it would protect other people from the same experience. They also said they no longer need the policy they had held for 8 months and so cancelled it, for which they want a refund.

The case has been passed to me for 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.

Having done so, I agree that this complaint should be upheld. I'll explain why.

- The relevant rules and industry guidelines say a business should act fairly and support its customers.
- The background to this matter is well known to both parties and so I won't repeat the facts here. Instead, I will focus on what I consider to be key to my conclusions. I have carefully considered everything Mr and Mrs H have said in detail, even if I don't explicitly refer to something they have said.

- Mr and Mrs H are unhappy about the remedy recommended by the investigator. I should explain that it is my role (and the investigator's role) to consider Mr and Mrs H's specific complaint. We do not punish or regulate businesses. Instead, we consider whether any failings have caused a loss to Mr and Mrs H and if so, aim to put Mr and Mrs H back in the position they would have been in, as far as possible, if the failing hadn't occurred.
- I will start with the original policy which was bought by Mr and Mrs H online and covered only Area 7. As this was an annual multi trip policy, they paid for 12 months of cover. As the insurer was on risk for any eligible claims, it is entitled to keep the premium, as set out in the policy terms. Mr and Mrs H said the policy was no longer fit for purpose and so they cancelled it with 4 months remaining – and wanted a refund for the 4 months. The cancellation terms are clearly set out in the policy which makes up the contract of insurance.
- The policy confirms the geographical areas covered. The policy terms also confirm a refund isn't due if cancelled outside the 14 day cooling off period. If an insurer has commenced to bear a risk, for however short a time, the premium paid is not returnable. In this case, the insurer was on risk for around 8 months of the 12 that Mr and Mrs H were insured for - this is a significant period of time. The terms are clear and not unfair. Although Mr and Mrs H decided to cancel their policy, I don't agree a refund is due.
- Makesure accepts that it could have provided a better service when Mr and Mrs H enquired about adding worldwide cover. They had to ask for clarification about worldwide cover more than once over a period of a few days. The quote they received was for the exact same policy they already had. Had the agent not sent it, this could have avoided the back and forth and the frustration Mr and Mrs H felt.
- Our investigator recommended £100 compensation for the frustration caused to Mr and Mrs H as a result of Makesure's actions. I agree that this wasn't a long-lasting issue and ultimately, they did receive confirmation that they couldn't add worldwide cover to their policy. Our compensation award bands for distress and inconvenience are published on our website. I think £100 is appropriate for the error which caused frustration and inconvenience over a period of a few days.
- Mr and Mrs H have also raised concerns about what would have happened if they had booked a cruise and the new policy but were unable to use it whilst abroad. I can only consider what actually happened rather than potential loss or hypothetical scenarios.

My final decision

For the reasons set out above, I partially uphold this complaint and direct Makesure Insurance Services Ltd to pay Mr and Mrs H a total of £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 14 June 2024.

Shamaila Hussain
Ombudsman