

The complaint

Miss J complains that Casualty & General Insurance Company (Europe) Ltd wants to remove public liability cover from her pet insurance policy before it will consider her claim.

What happened

Miss J arranged pet insurance for her new puppy. About a week later one of her older dogs snapped at the puppy and accidentally caught her ear. Miss J said the treatment was simple and she didn't claim on her insurance.

About four months later Miss J took her puppy to the vet. It couldn't see properly and was very anxious and reacted nervously to the vet. Miss J submitted a claim to Casualty for the eye treatment. But her insurer said it planned to remove public liability insurance as the pet had shown signs of aggression.

That wasn't the case. She'd completed her application for pet insurance correctly. Her puppy hadn't shown any aggressive behaviour before. The vet had suggested Miss J might contact a dog trainer to see if there was any problem between the two dogs. But Miss J said they got on very well. So she'd like Casualty to continue the public liability clause of her pet insurance and settle the claim.

Casualty said the pet's medical history showed signs of aggressive behaviour. And the referral to the behaviourist was to aid the relationship between the two dogs in the home. Having reviewed the information Casualty said it could only continue the pet insurance policy without the public liability section of the cover. And Miss J would need to accept the exclusion before its claims team could continue to assess her recent claim.

Miss J wasn't satisfied with Casualty's response. So she contacted our service and our investigator looked into the matter. Our investigator could see the referral to a behaviourist was in relation to the older dog. And she felt it was clear from the notes the issue lay with the older dog, not with the puppy.

So she felt it was unreasonable for Casualty to use that entry to say the puppy was showing signs of aggression. After looking at the medical notes she couldn't find there were signs of aggression. And she didn't think the interaction met the definition Casualty was relying on.

So our investigator said Casualty should continue the policy without the removal of the public liability cover. And it should pay Miss J £150 compensation for the distress and inconvenience caused and for the delay into looking into her claim.

Casualty didn't agree with our investigator. It said the clinical history confirmed the pet had displayed signs of aggression, evidenced by the growling and barking and the need to sedate the pet when it returned. That fell within the definition of aggression defined in the policy terms. So it's asked for an ombudsman's 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.

When Miss J took out the pet insurance policy for her puppy she was asked to provide certain information during the application. And this included confirmation that her puppy hadn't shown any 'aggression, aggressive tendencies or behavioural issues towards a person or another animal or been difficult to control'.

The pet insurance policy contains a clause that deals with any 'change in risk'. The terms say the policyholder must inform Casualty of any change that may affect the pet insurance and cover protected. And that includes any change in the pet's normal, everyday behaviour or if the pet starts displaying aggression.

When Casualty took the decision to exclude public liability from the pet insurance policy it relied on two incidents noted in the medical history. About a week after the insurance had been taken out, the pet had been 'referred to behaviourist'. And about four months later it noted the records said the pet was 'very nervous will take treats out of your hand but does growl and bark. Have discussed with owner possibility of having to sedate pet.'

Casualty said if they had known about this aggressive behaviour it would've offered the pet insurance without public liability cover. So it could only continue the policy on restricted terms.

The policy defines aggression as 'harm upon another pet or person, whether caused reactively or without provocation. The threat of harm to another pet or person can include, but is not limited to snarling, growling, snapping, biting, barking or lunging.'

But I don't think that's what's happened here. The behaviourist referral mentioned in the medical history was in relation to the older dog. It was that dog that'd nipped the ear of Miss J's new puppy.

And although the suggestion may have been made to help their relationship, the only pet showing signs of aggression was the older dog. The puppy was eight weeks old at the time. And Miss J said it was barely able to walk, let alone display signs of aggression.

Casualty also noted the puppy growling and barking at the vet when it had a problem with its eye a few months later. Miss J says the puppy couldn't see and was very anxious. And there's nothing in the vet's notes to suggest the puppy was acting aggressively or threatening or inflicting harm on anyone.

The puppy was taking treats out of the vet's hands even though it was very nervous. So I don't think it would be fair to say the behaviour mentioned in the medical history meets the definition of aggression contained within the pet insurance policy.

I think it's more likely the growling (which Miss J says was very quiet) was due to the pet's nervous state and discomfort rather than a display of aggressive behaviour that should be informed to the insurer.

After considering the medical history I don't think Casualty have acted fairly in relying on the change in risk clause to add the public liability exclusion to her policy.

Putting things right

As Casualty wouldn't consider Miss J's claim for treatment for her pet until she'd accepted the public liability exclusion, her claim has been unnecessarily delayed. So to put things right Casualty should:

- Continue the policy on the existing terms without removing the public liability cover
- Pay £150 compensation to Miss J for the delay in looking at her claim and for any trouble and upset

My final decision

My final decision is that I uphold this complaint. I direct Casualty & General Insurance Company (Europe) Ltd to put things right in the way I've outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 4 May 2022.

Andrew Mason
Ombudsman