

## The complaint

Mrs T's complaint is about a claim she made on her Casualty & General Insurance Company (Europe) Ltd ('C&G') pet insurance policy, which C&G declined and then cancelled her policy.

Mrs T feels that C&G treated her unfairly and wants them to pay her claim and reinstate her policy.

## What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 with the conclusions reached by the investigator and uphold Mrs T's complaint for the reasons set out below.

The policy terms exclude cover for pre-existing conditions which occurred before the policy was in place or within the first ten days of cover. 'Pre-existing' is defined as "*any injury, illness or behavioural disorder that your pet had symptoms of, received treatment, medication or advice for in the last 24 months before your policy start date...*". In this case Mrs T's policy started on 8 November 2023. On 21 November 2023 Mrs T took her pet to the vet after noticing a lump on his foot. The lump was removed and during the surgery further similar lumps were identified by the vet. C&G take the view that the condition causing the lumps was pre-existing, and that Mrs T was aware of it before taking out the policy. Because of this they say she misrepresented the position to them when taking out cover.

The onus is on C&G to prove that the illness the pet was diagnosed with was showing symptoms before the policy was in place or within the ten-day waiting period after it commenced. I'm not satisfied that C&G have established this.

The evidence C&G have relied on in relation to the condition claimed for is from their own vet who says that the lumps are slow growing by nature so it's difficult to believe that Mrs T hadn't noticed one or any of them until after the policy was in place. Conversely the clinical notes record that Mrs T only became aware of the initial lump when checking the pet's feet the day before seeing the vet. The surgeon that treated Mrs T's pet said the lumps that the pet had can grow at varying speeds and it is entirely plausible that the ones they removed were not present when Mrs T acquired the pet. The clinical Director of the veterinary practice that treated Mrs T's pet said that the lumps can grow at varying rates and none of the smaller masses were evident on the first examination. He went on to say that acute inflammation associated with the initial lump could cause the initial swelling to arise in a relatively short time since Mrs T acquired the pet, but it would be impossible to say either way.

The evidence that C&G have relied on doesn't show that on balance the initial lump was visible when Mrs T took out cover or that Mrs T was aware of it. And the evidence of the two treating vets was that the secondary lumps weren't discovered until much later and that it's quite possible that the first lump wasn't visible when the pet was first acquired. Taking all of that into account, I'm not persuaded that C&G have established the exclusion they have relied on was applicable in this case.

C&G have relied on various other matters to conclude that Mrs T has been dishonest in her dealings with them which has led them to determine that she was aware of at least the initial lump either before she took the policy out or within the first 10 days of cover. One of those matters concerns Mrs T's question about when cover would engage when she contacted C&G directly. But having listened to that call, I'm not persuaded that this question alone would lead an insurer to the conclusion that a policyholder was trying to decide when to make a claim. Given the circumstances surrounding Mrs T's acquisition of the pet- namely that it was simply found by a family member- and that she had no knowledge of any pre-existing conditions it might have, I think this was a reasonable question. I have noted from the call that Mrs T made this clear to C&G and was offered reassurance that she wouldn't be penalised for not knowing the pet's previous history, so any conditions claimed for would start from when the pet was in her care.

C&G also feel that Mrs T misled them when stating the purchase price of the pet was £600 when this was not correct. As the investigator explained, this was not cited as a reason to decline Mrs T's claim and cancel the policy when C&G did and does not in any event establish that the pet's illness was pre-existing or that Mrs T knew this when she took the policy out. As such I don't think it's reasonable for C&G to now rely on it.

C&G have also said that Mrs T didn't comply with the law surrounding rehoming stray dogs. Again, I'm not persuaded this means that Mrs T's claim was fraudulent nor that she was aware of the condition that gave rise to the claim before cover engaged. In addition, Mrs T's claim was not turned down on this basis, nor was her policy cancelled for this reason, so C&G are not entitled to rely on this now. And from what I've seen Mrs T provided all of the information that she reasonably could about how she came to acquire her pet. Whilst those circumstances might not have been conventional, I don't think that a conclusion of dishonesty necessarily follows. And if C&G had thought this then I'm unsure why they agreed to pay an earlier claim submitted by Mrs T before declining the present one.

Overall, I'm not satisfied that C&G have applied the policy exclusion to Mrs T's claim fairly nor established that she's made a deliberate or reckless misrepresentation to them when taking out the policy such that they were entitled to cancel it when they did and retain the policy premium. I've set out what C&G should do to put things right below.

## **Putting things right**

C&G should:

- Reinststate Mrs T's policy and accept the claim she made as well as any other claims that flow from it, subject to the remaining policy terms.
- Pay Mrs T interest of 8% per year simple from the time the claims were made until they are discharged.
- Pay Mrs T £150 in compensation for the distress and inconvenience C&G's actions have caused her, taking account of the financial difficulties their conduct had on her including the fact that she was forced to make payment to her vet to stop enforcement action being taken against her.

## **My final decision**

I uphold Mrs T's complaint against Casualty & General Insurance Company (Europe) Ltd and direct them to put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 23 October 2024.

Lale Hussein-Venn  
**Ombudsman**