

The complaint

Miss T is unhappy Royal & Sun Alliance Plc (RSA) declined her claim on her pet insurance policy and didn't communicate with her throughout her claim.

What happened

In April 2021 Miss T's dog suffered an injury to its tail. She tried to treat it herself before taking the dog to the vets on 29 April 2021. The vet amputated the dogs' tail and Miss T submitted a claim for the costs incurred.

RSA had some concerns around when the accident happened, as the vet notes indicated it was prior to the inception of the policy, so they instructed an investigation company to look into it further.

Miss T explained there had been an error in the vet notes as the accident happened two weeks before she took her dog to the vet, not four weeks as detailed in the notes. When probed further for dates, she said it was around 17-18 April and then later 20 April 2021.

The investigator RSA instructed referred their findings to RSA and left it to them to decide whether to settle the claim on a goodwill basis. RSA declined the claim as they felt, based on the information obtained, the accident had occurred before the inception of the policy on 15 April 2021, or within the first 48 hours of the cover starting.

Miss T was unhappy about this, she was also unhappy that RSA hadn't kept her updated.

Our investigator was unable to resolve things, so the complaint was passed to me to decide. In July 2022, I issued a provisional decision, which said:

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'm intending to uphold the complaint in part.

Whilst I've considered all the information provided by both parties, I haven't commented on everything. Instead I've referred to what I feel is most relevant to the outcome reached.

RSA have a responsibility to handle claims promptly and fairly and they shouldn't decline a claim unreasonably.

Miss T was an existing customer of RSA, but she didn't renew her policy with them when it expired. Instead she decided to take out a new policy with them as it was cheaper to do so.

The terms and conditions of the current policy set out the agreement between RSA and Miss T. They explain the policy covers treatment for costs for ongoing or one-off accidents and illnesses as long as the policy is renewed and there isn't any break in cover.

The terms of the current policy also explain:

“we will not pay:

- for health issues, concerns, illnesses and injuries which you or your vet were aware of before you took out the policy, they are known as pre-existing conditions*
- for accidents within the first 48 hours of your policy first starting, or any illness or injury that develops from them.”*

The claim form says the injury occurred on 20 April 2021 but the vet notes indicate it happened four weeks before the consultation. This would be around 1 April 2021 which was before the start of the policy.

I understand Miss T was previously insured with RSA and has said if this were the case she would have claimed under her previous policy. However, I am only looking at RSA’s decision to decline the claim under this policy.

Miss T explained that she told the vet it had happened two weeks before the consultation which would make the date of injury to be the day of the policy inception. So I can understand why RSA were concerned and wanted to understand more about the circumstances.

The dates provided by Miss T didn’t match the four week or two week timeline. But she confirmed the date of the injury as the 20 April 2021. She was confident of this because she had an important appointment that day. This would mean the injury happened nine days before the visit to the vet and within the scope of the policy.

The vet said although the records stated four weeks it was possible there was a clerical error or an over estimation of time by Miss T but they haven’t changed their records. Whilst I understand how dates can get confusing, Miss T has presented three different dates for when the injury occurred.

Whilst it is possible a clerical error occurred; I find the four-week timescale more persuasive. I say this because it’s more likely the vet detailed what they heard as taking a history of an illness or injury is important in the assessment of the animal so information such as when the injury occurred is quite important. In addition, the difference in time is quite significant, so I find it unlikely it was a clerical error.

But even if RSA accepted the two-week timeframe, this still puts the date of claim outside of the policy terms because it would’ve taken place on or around the date of the policy inception. Given the exclusion for accidents in the first 48 hours of the policy, it wouldn’t be covered.

Miss T has presented evidence to support the later date of 20 April 2021. Whilst I don’t disbelieve her, I have to decide if RSA have been unfair in declining the claim based on the information they were provided. Given that she said it happened at the same time of an important event, I would have thought the date would have been clear from the start. Considering this and the conflicting timescales given, I can’t say RSA have been unfair as there is reasonable doubt over the information provided.

Service

Miss T was unhappy with the lack of communication from RSA whilst investigating her claim. I note the claim form was submitted by the vet and received by RSA on 19 May 2021. Due to the conflicting information about when the accident occurred, RSA instructed an investigation company to look into it further on 7 June 2021. They concluded their report on

1 July 2021. Prior to this, RSA asked Miss T for information about her dog which she provided by telephone on 23 July 2021. Upon enquiring about the claim she was told the information would be passed onto the claims handler and she would receive a text message once the claim had concluded.

Miss T called RSA on 30 July 2021 for an update. She was advised the claim had been declined. I understand Miss T was expecting contact in relation to this so it would have been a surprise to hear that during the call. However, the agent explained a letter had been sent to Miss T that day explaining it had been declined and why.

Given that the claim was referred to an investigation company and was likely to take longer than usual, it would have been reasonable for RSA to have kept Miss T updated and explain when she could expect to hear from them.

The investigation company had taken more than a couple of weeks to conclude their report, I think RSA should have updated Miss T once they received the investigation report. This would have also given her an idea of when she could expect a decision on the claim. I'm also not aware she received a text message as indicated once the outcome on her claim had been reached.

However, Miss T was aware there was an investigation underway as she had spoken to the investigator. Given the conflicting dates, I can understand why it took longer to reach a conclusion and therefore a delay in communicating it. But that didn't stop RSA keeping Miss T updated on the progress of her claim.

I can see that once RSA received the information they'd requested; they communicated the outcome within a reasonable time. But it seems this was after Miss T had chased them a couple of times. The outcome wasn't communicated via the medium the agent suggested but this wasn't something Miss T had asked for and I'm satisfied a letter had been sent.

I understand Miss T was finding the process stressful especially as she was coming towards the end of a pregnancy. RSA could have alleviated that stress by keeping her updated during the claim. I think this was even more important given that it had taken around 10 weeks for them to give their answer. In light of this, I think RSA should pay Miss T £100 for the distress and inconvenience caused in not keeping her updated during the claim.

Responses to my provisional decision

RSA accepted the decision and didn't have any further evidence for my consideration. Miss T said she had cover for her dog and would've claimed under the previous insurance policy if that's when the injury happened.

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.

As explained, whilst I understand that Miss T had a previous policy, I've only considered RSA's decision to decline the claim under this policy. I appreciate her point is that she would've been covered regardless by either policy. However, the claim has been made on this policy so the four week time scale the vet notes referred to puts the date of the accident before the policy commenced. Meaning the claim wouldn't be covered under this policy.

Because she took out a new policy and not a renewal, there were exclusions within the first 48 hours of inception. This means even if RSA accepted the two week timescale Miss T said

she communicated to the vet, the claim would be excluded as the accident would have occurred within the first 48 hours of the policy inception.

I've taken account of the additional dates Miss T provided but find the four week time scale more persuasive for the reasons explained. Either way the claim hasn't been declined unfairly considering this.

My final decision

My final decision is that Royal & Sun Alliance Plc should pay Miss T £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 9 September 2022.

Karin Hutchinson
Ombudsman