

## **The complaint**

Mrs D has complained that HDI Global Specialty SE gave her incorrect information about her pet insurance policy.

## **What happened**

In August 2021 Mrs D renewed her lifetime policy with HDI. The policy provided a fixed amount of money each year to cover all veterinary treatment. Her benefit limit under the policy was £4,000 a year.

In November 2021 Mrs D made a claim to HDI for an operation on her dog's knee. HDI paid £420.43 to settle the claim.

In May 2022 Mrs D claimed for the cost of surgery on her dog's nose. That claim was also settled.

By that time the dog had become lame in another leg. Further knee surgery was needed at a cost of £3,200. Mrs D called HDI twice to discuss whether the next operation would be covered. She was told she was covered for £4,000 per condition per policy year and that HDI would class this as the same condition as the first operation, meaning she would be covered for £4,000 less the cost of the first operation.

After the operation was carried out, Mrs D made a claim for £2,249.09. HDI paid £1,130.71. It said the policy limit of £4,000 had been reached for that year. That meant Mrs D had to pay the balance.

After Mrs D complained about being given incorrect information about the policy limit, HDI apologised and paid her £200 compensation.

Mrs D brought her complaint to this service. Our Investigator upheld it. She thought HDI should reassess the claim on the basis that there was a policy limit of £4,000 per condition and add 8% interest to the settlement from the date of the claim.

As HDI didn't agree, the matter has been referred to me.

## **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.

It's not in dispute that Mrs D was given incorrect information about her policy. The policy limit is £4,000 a year rather than £4,000 per condition. I've listened to the calls Mrs D made to HDI in May 2022 to check the extent of her cover. HDI's call handler clearly misinformed her that there was a limit of £4,000 for the nose surgery and another limit of £4,000 for the knee operations.

I'm aware that Mrs D had access to the policy documentation. But she obviously wanted to double check by speaking to HDI. I would expect HDI's call handlers to be able to explain the main points of its policy accurately to consumers. And in this case it didn't do that.

Where a business does something wrong, the role of this service is to put the consumer back in the position they would have been in if the mistake hadn't happened. If Mrs D had been given correct information during the telephone calls with HDI, then she could have made an informed decision about whether to postpone her dog's knee operation for just over two months until the start of the next policy year. Since the operation wasn't urgent (it was described by her vet as "*elective*"), I think it's likely that she would have done that.

I consider that the incorrect policy information given in the telephone calls caused Mrs D to suffer a financial loss because it resulted in a reduced settlement.

### **Putting things right**

To put things right I think HDI Global Specialty SE should reassess the claim on the basis that there was a policy limit of £4,000 per condition and add simple interest of 8% to the additional settlement from the date of the claim to the date of settlement.

If HDI Global Specialty SE considers it is required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs D how much it has taken off. It should also give Mrs D a tax deduction certificate if Mrs D asks for one so that she can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

For the reasons set out above, I uphold this complaint and require HDI Global Specialty SE to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 12 June 2023.

Elizabeth Grant  
**Ombudsman**