

The complaint

Miss P has complained about Building Block Insurance PCC Ltd. She isn't happy that it will not renew her lifetime pet insurance policy.

For ease of reading any reference to Building Block includes the actions of its agents which it is responsible for.

What happened

Miss P made a claim under her lifetime pet insurance policy (a policy that will cover conditions the pet develops for the rest of its life as long as the policy continues and is renewed) in relation to an ongoing skin condition. While considering this claim Building Block noticed Miss P's dog was overweight and so it told Miss P it would allow her policy to run but that it wouldn't renew the policy when it was due for renewal in April 2023.

Miss P didn't think this was fair and just thought Building Block was trying to get out of paying for her pet's condition that was likely to last all her pet's life. Building Block looked into things for her but maintained it had acted fairly and in line with its policy which says, *'Your pet must not be overweight based on its breed type and age at the Policy Start Date.'* It highlighted that the veterinary nurse said Miss P's pet needed to lose weight and recommended a daily intake of food to assist. As Miss P remained unhappy about this she complained to this Service.

Our investigator looked into Miss P's complaint and upheld it. He said there was no suggestion Miss P misrepresented the pet's weight when she first took out the policy and outlined that a pet's weight can often fluctuate during the course of a lifetime policy. So he asked Building Block to continue to allow cover.

Building Block didn't agree. It maintained it had acted fairly by not cancelling the policy when it became aware that Miss P's pet was overweight but not allowing renewal as its eligibility criteria hasn't been met. So the matter has been passed to me for review.

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 think that the complaint should be upheld. I'll explain why.

Building Block is looking not to renew Miss P's lifetime pet insurance policy when it comes up for renewal later this year. This is because it says her policy makes it clear under *'Am I eligible for cover?'* that *'Your pet must not be overweight based on its breed type and age at the Policy Start'*. However, Building Block hasn't raised any misrepresentation arguments and the policy hasn't yet reached renewal stage, so I'm surprised it has moved to not look to renew her policy so early.

Turning to the suggestion that Miss P's pet is overweight I don't think it has sufficient evidence to say her dog is overweight or that it hasn't lost weight since the vet gave advice (and so could meet its eligibility criteria at the time of renewal). Building Block has suggested a guide weight for Miss P's particular breed, but this is open to interpretation and I would expect a more detailed assessment and investigation to support this position.

However, I can see the treating veterinary nurse has suggested in September 2022 that Miss P's pet needs to *'lose weight Discussed with nurse about recommended amount of food'*. But Miss P's pet was having a few health problems and dietary changes around that time, so it is likely this has had an impact on Miss P's pet at that time. And the vet had seen Miss P's pet regularly in the lead up to that and there was no mention of any need to lose weight before this. Furthermore, it is very likely the vet's recommendations about food amounts have had an affect here and the pet has lost weight but Building Block hasn't requested any update about this.

Finally, as this is a lifetime policy it looks to cover ongoing conditions and consumers usually pay a significant uplift in the cost of the policy year on year because of this. And a pet's weight and condition is likely to fluctuate throughout its lifetime so I'm not sure the exclusion is fair or reasonable. But either way, if Building Block wanted to step outside of this for any reason I would expect it to make it abundantly clear in its policy documentation to consumers and I don't think it has. I say this as the document that would look to highlight this to Miss P (the Insurance Product Information Document) only says under *'What is not insured?'* that *'If in the opinion of a vet Your pet is overweight and this results in Your pet needing Treatment'* which clearly isn't the case here.

Given all of this, I think the fair and reasonable thing to do is for Building Block to allow renewal if Miss P wishes to renew this year.

My final decision

It follows, for the reasons given above, that I uphold this complaint. I require Building Block Insurance PCC Ltd to offer renewal in April 2023 as it ordinarily would.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 3 April 2023.

Colin Keegan
Ombudsman