

The complaint

Mr J complains about how Animal Friends Insurance Services Ltd, trading as Animal Friends dealt with a claim he made on his pet insurance policy.

Although Mr J is represented by a family member in this complaint. In my decision, I'll only refer to Mr J.

What happened

The background to this complaint is well known to both Mr J and Animal Friends. In my decision, I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mr J had a pet insurance policy with Animal Friends to cover his dog. The policy started on 1 January 2022 and had a £1000 policy limit. In August 2022, Mr J contacted Animal Friends to enquire about increasing the policy limit mid-term - as his dog was likely going to require treatment.

Mr J says the adviser gave incorrect information about being able to change the policy limit and he approved the vet carrying out urgent surgery based on this information. The total cost of treatment was approximately £6000. Animal Friends made a contribution of £1,000 – as per the policy limit.

Mr J raised a complaint and says if he'd been given correct information, he wouldn't have gone ahead with the surgery and now a family member has been left in debt as a result.

As Mr J remained unhappy with Animal Friends response, he referred his complaint to our Service for an independent review. Our Investigator didn't uphold the main part of this complaint (the outstanding claim), but did recommend that Animal Friends compensate Mr J £100 - to recognise that they'd caused some trouble and upset. Mr J didn't accept the recommended outcome, so the complaint has been referred to me for a 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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our Service. Where there's an alternative version of events between both parties, I've to reach my decision based on what I think is more likely than not – based on the available evidence.

Mr J's main argument is that he was given incorrect information about being able to change the policy limit and then he made a decision that's impacted him financially as a result of this information. Mr J says had he known that the policy limit couldn't be amended mid-term, he'd have made a different decision about going ahead with the surgery.

It's not in dispute that the Animal Friends adviser gave incorrect information initially. Both parties have provided relevant call recordings. But I'm satisfied that in the later call (around an hour later) the correct information was given. This was that in line with the policy terms, the policy limit could only be amended at renewal. Crucially, this was the evening *before* the surgery took place – Thursday 8 August 2022.

Mr J has told us he let the vets know of the decision to go ahead with the surgery at around 4pm the evening before the surgery. Whilst I understand what Mr J has told us about his financial circumstances meaning he wouldn't have been able to fund the operation, I've seen no supporting evidence that he took any reasonable steps to try and mitigate potential financial losses once he was fully aware the policy limit couldn't be increased (mid-term) and the full cost of the procedure wouldn't be covered. For example, Mr J has told our Service the vets was closing, but a quick search online suggests that they're open until 8pm, Monday – Friday. I've also kept in mind that generally, given the nature of 24 hour care for pets/animals, vets need to be contactable out of hours.

This aside, it wouldn't have been unreasonable for Mr J to contact the vets that evening, or first thing the following morning to prevent the surgery going ahead – if that was his decision based on having the knowledge that the policy would only cover any costs up to £1000. In a hypothetical scenario where Mr J did prevent the surgery going ahead and faced a late cancellation charge, I'd have considered directing Animal Friends to cover this cost.

In summary, in the specific circumstances of this complaint, I find that Animal Friends only needed to indemnify Mr J up to the £1000 policy limit.

I acknowledge that Mr J has been caused some avoidable trouble and upset here because of what Animal Friends initially communicated to him. I find that £100 is fair, reasonable and proportionate compensation to recognise what's gone wrong here. I've noted Mr J's comments following our Investigator's assessment:

"They are to blame for the ongoing stress my family are going through, trying to afford vet bills due to their agent error that they choose not to rectify."

But for the reasons I've already explained, the award of £100 is for the initial wrong information being given and not for any impact after this was clarified.

My decision will disappoint Mr J, but it brings to an end our Service's involvement in trying to informally resolve this dispute between Mr J and Animal Friends.

Putting things right

Animal Friends Insurance Services Ltd, trading as Animal Friends needs to pay Mr J £100 in recognition of the impact of their actions. Specifically, the loss of expectation and frustration caused.

My final decision

I partially uphold this complaint. Animal Friends Insurance Services Ltd, trading as Animal Friends to follow my direction, as set out under the heading '*Putting things right.*'

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

Daniel O'Shea

Ombudsman