

The complaint

Mr C has complained that Casualty & General Insurance Company (Europe) Ltd (C&G) unfairly declined a claim on his pet insurance policy.

What happened

On 31 December 2021 Mr C took out a pet insurance policy with C&G for his dog, A. He made a claim to C&G after his dog was treated for a disc extrusion.

After reviewing the dog's clinical history C&G declined the claim. The clinical history referred to the dog becoming ill with neck and back pain in December 2022 while in the care of a "friend". C&G said the policy didn't cover claims arising while the pet was not being looked after by Mr C or his family.

On a later consultation the vet noted that the dog was shared between Mr C and another person. Mr C explained that the other person or friend was his ex-partner who had been living with him when the policy was taken out. C&G said a second person couldn't be added to the policy as an additional owner of a pet as it didn't allow joint policyholders.

Mr C brought a complaint to this service. Our Investigator recommended the complaint be upheld. She didn't think C&G had acted fairly in declining the claim as who the dog was with had no bearing on her illness which was age-related. She thought C&G should settle the claim. C&G said Mr C's ex-partner lived at an address where there are a considerable number of steps to access the property. It thought it likely that repeatedly climbing steep stairs would have contributed to the disc problems.

As C&G didn't agree with our Investigator's view, 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.

C&G has refused to settle Mr C's claim on the basis that the dog was not being looked after by him or his family when she became ill. I need to decide whether that decision was fair and reasonable.

The policy says:

*"Section 1 – Veterinary Fees
What is not insured?*

Any claim arising where Your pet is not being looked after by You or Your family."

"Family" is defined as "husband, wife, partner, civil partner, children, parents, or other relatives who normally reside with you."

Mr C has provided evidence that at the time the policy was taken out he and his ex-partner were living together and so she would have been classed as “*Family*” at that stage.

The risks which insurers are prepared to accept is a commercial decision for them. However, the Insurance Conduct of Business Sourcebook sets out that an insurer must not “*unreasonably reject a claim*”. Having considered all the circumstances of this complaint, I don’t think C&G has complied with this. I’ll explain why.

The full circumstances of the claim are relevant to whether C&G’s decision to apply the exclusion was fair and reasonable.

A was noted to be suffering from neck and back pain while staying with Mr C’s ex-partner. The vet gave her an injection and recommended rest.

Two days later on 7 December 2022 A was re-examined. There was only a small improvement in her condition and she was still a bit unsteady on her back legs. So the vet referred her to a specialist.

On 9 December 2022 A was diagnosed with intervertebral disc disease and surgery was recommended. The vet noted that A had been going up and down a short flight of stairs while staying with a friend. But there is no suggestion in the clinical history that this caused the dog’s condition. My understanding of this disease is that it’s a condition that gradually causes the discs in between vertebrae to lose their sponginess and sometimes slip out of place. That can cause weakness in the dog’s legs. It’s usually an age-related degenerative condition but some breeds (including A’s breed) are more prone to it than others.

Ultimately the onus is on C&G to prove that the exclusion applies. I don’t believe on balance it has shown that the claim arose while A was staying with the ex-partner. I think it’s more likely that she was suffering from a condition that had been developing over some time. Given this, I think the fair and reasonable outcome in the particular circumstances of this case is for C&G to cover the claim in line with the remaining terms and conditions of the policy.

My final decision

For the reasons set out above, I uphold this complaint and require Casualty & General Insurance Company (Europe) Ltd to settle Mr C’s claim in line with the remaining terms and conditions of the policy.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr C to accept or reject my decision before 11 September 2023.

Elizabeth Grant
Ombudsman