

The complaint

Mr F is unhappy Pet Protect Ltd didn't renew his pet insurance policy leaving him without cover.

Mrs F is representing Mr F in bringing this complaint but for ease I'll refer in this decision to submissions being made by Mr F.

What happened

Mr F had pet insurance through Pet Protect since April 2019. The policy auto renewed in April 2021 but Pet Protect was unable to take payment for the policy. Mr F responded to correspondence about that, and a direct debit was set up for future payments. The following year Pet Protect sent Mr F renewal information which asked him to confirm he wanted cover to continue; Mr F did so.

In March 2023 Pet Protect again asked Mr F to confirm renewal of the policy. Further reminders were sent on 22 and 27 March. Mr F says he didn't receive any of these. In August 2023 Mr F complained his policy hadn't renewed. Pet Protect said it thought Mr F would have been aware his policy was subject to manual renewal, and he needed to contact it for that to happen. It thought its decision to end cover as Mr F hadn't done so was correct and didn't agree to reinstate the policy.

Our investigator thought Pet Protect had sent Mr F information in good time about the renewal in 2023. And it hadn't told him the policy would auto renew. There had been previous discussion about a direct debit but that wasn't the same as confirming policy renewal. He didn't uphold the complaint.

Mr F didn't agree. He made detailed comments. I've read everything that's been provided and summarised his comments as follows:

- His policy had been set to auto renew from the outset and he believed it had subsequently been changed by Pet Protect to manual renew. There was no reason for him to have requested that change particularly as difficult family circumstances at the time meant he was particularly attuned to health issues. He wanted to ensure there was no break in coverage which was the reason for putting a direct debit in place.
- He said the adviser told him in 2021 the policy would run continuously. If the policy had in fact been changed to manual renewal he should have been told about it then and wasn't. If that had been done then the subsequent issues with renewal wouldn't have taken place.

- He accepted at renewal in April 2022 he did confirm he wanted the policy to continue and should have paid attention to the emails sent at that time. But given the steps he'd already taken to make sure cover was in place he didn't feel he needed to. And he drew attention to the importance he placed on ensuring his dog's health was protected.
- He said in 2023 he didn't receive any renewal invitations, possibly because a new email client had treated these as spam. But he assumed his policy was set to auto renewal and he'd put his faith in Pet Protect to ensure everything was arranged in relation to this. He also said his direct debit had been set to the wrong renewal date.
- He thought but for the spinal surgery his dog required in August 2023 Pet Protect would have had no problem in reinstating the policy and taking the required payment. And while he should have paid more attention to the emails sent in 2022, if Pet Protect had acted correctly the previous year, the policy would have remained on auto renewal and subsequent events would have been prevented. He queried why that hadn't been done.

So I need to reach 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.

I do appreciate this matter has been extremely upsetting for Mr F (and Mrs F). I understand in recent years they've had some very distressing family circumstances which I was very sorry to learn about. I recognise the last few years have been particularly difficult for them. I also appreciate how important their dog is to them and why they would want to ensure they had cover in place for him. But the question for me is whether Pet Protect did anything wrong in handling the 2023 policy renewal (and in the previous discussions it had with Mr F).

In considering that I've taken into account that the relevant rules say a business must provide to a consumer, in good time before the renewal, a statement telling the consumer whether the policy will automatically renew or whether the consumer needs to take action to accept the renewal offer. And the business must communicate the information clearly and accurately, in writing or another durable medium and in a way that is accessible and which draws the consumer's attention to it as key information.

In this case I can see Pet Protect emailed Mr F renewal information on 11 March 2023. And under a section headed 'What happens next?' it said *"To confirm the renewal of your policy, please contact us on 0345 602 4797 to confirm your renewal. Alternatively visit www.petprotect.co.uk/renew to confirm acceptance of your renewal."* As Pet Protect didn't hear from Mr F following that email it sent him reminders on 22 March and 27 March which explained cover would end unless it heard from him.

I appreciate Mr F doesn't appear to have received that correspondence (possibly because his email client treated it as spam), but I can see the emails were correctly addressed. And I think the emails do make clear Mr F would need to contact Pet Protect for cover to continue. So I think it's acted in line with the relevant rules in relation to this.

However, I recognise Mr F's key concern is why his policy was set to manual renewal at all. It's clear from the correspondence I've seen that wasn't the case in 2021 because the documentation from that time confirms it will auto renew. And Pet Protect hasn't been able to explain how the change to manual renewal took place. Nor has it been able to provide the call Mr F had with its adviser in April 2021 in which he recalls being told the policy would run continuously.

I've taken into account the points Mr F has made about why, given his family circumstances, he was so keen to ensure cover continued for his pet without any further complications. It does seem to me unlikely he would have requested a change to manual renewal for this policy. I think it's more likely that change was made by Pet Protect in error when his new direct debit was set up. And I agree any change should have been confirmed to him at the time. I think I have enough evidence to conclude Pet Protect has been at fault here so I don't need to ask it for further information about this.

I've gone on to think about whether Mr F has lost out as a result of that failing. I understand the point he makes which is that, if the policy had remained on auto renewal, none of the issues he subsequently experienced would have taken place. But when considering what impact a fault by a business has had I also need to take into account to what extent any error was addressed by what subsequently happened.

In this case it doesn't appear Pet Protect did provide Mr F with any information in 2021 about a change to manual renewal. But it did contact him about the renewal in March 2022 and asked him to confirm he wanted to go ahead. There's no dispute Mr F received that correspondence because he responded to it and said *"please would you go ahead and renew this insurance"*.

So I think Mr F would have been aware from that point his policy was no longer set to auto renew and a manual confirmation was required in order for this to take place. Given that I don't think Mr F could have thought the policy would auto renew in April 2023. And he's accepted he could have paid more attention to the emails he was sent in 2022. I appreciate he may not now recall the detail of that correspondence and I recognise he did have other really difficult family issues to deal with at the time. But, as he was able to engage with the renewal of the policy, I think he could have also changed the basis on which it was renewing if that didn't meet with his requirements.

And, as I've already said, the correspondence Pet Protect sent in relation to renewal in 2023 did make clear that Mr F needed to contact it about this. So I don't think the error I've identified by Pet Protect has caused the loss Mr F is claiming for. I think before the 2023 policy expired he would reasonably have been aware of the renewal basis on which this policy was now operating.

I've also thought about whether it's fair for Pet Protect to have decided against taking action when Mr F contacted it in August 2023. I think it was. By that stage around five months had passed since cover ended. And Mr F hadn't received confirmation of policy renewal and a direct debit payment (for a reasonable amount of money – a sum in the hundreds of pounds) hadn't left his account as he would have expected.

Pet Protect has suggested if Mr F had contacted it within a few days of the policy ending it might have been able to arrange for cover to be reinstated. I don't think it's unreasonable it decided against doing that given the significant time that had passed since the policy ended when Mr F did get in touch. And I haven't seen evidence to show the surgery his pet had played a part in its decision making.

Mr F is also concerned his direct debit was set to the wrong renewal date. But I don't think that's something which is material to the outcome of this complaint. It wasn't an issue with the direct debit which led to his policy not renewing but because Pet Protect didn't receive contact from him following the email correspondence it sent. And I've explained why I think, overall, it's acted fairly in relation to that.

Mr F has also queried whether there's any scope for a compromise solution with Pet Protect that might protect his dog's health going forward. That is of course something he can discuss with Pet Protect. And there are some pet insurance policies that will provide coverage for pre-existing conditions (generally for a higher premium) which Mr F may wish to consider. But for the reasons I've set out in this decision I don't think there's anything Pet Protect needs to do to put things right in relation to this complaint.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 14 March 2024.

James Park
Ombudsman