

The complaint

Mr D has complained that Tradex Insurance Company PLC unfairly excluded third party liability cover on renewal of his pet insurance policy.

References to Tradex include its agent.

What happened

Mr D took out a pet insurance policy in January 2023 to cover his dog. The policy included cover for third party liability.

In August 2023 Mr D's partner whom he'd authorised to discuss the policy, contacted Tradex's agent about an incident that might have given rise to a third-party claim. In fact no such claim was made.

When the policy was due to be renewed Tradex said it would no longer offer cover for third party liability due to "*your recent claim*". It later apologised for referring to a claim when no claim had been made. It paid Mr D £100 compensation for that.

Mr D didn't think this was fair as his partner hadn't admitted any liability for the incident or said that his dog was aggressive.

He referred his complaint to this service. Our Investigator didn't recommend that the complaint be upheld. She didn't think Tradex had treated Mr D unfairly.

As Mr D 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 for an insurer to decide what risks it wants to cover. That isn't something we would generally interfere with.

Mr D had an annual policy and an insurer is entitled to change the terms on renewal so long as it communicates these changes clearly and in good time. If a policyholder is unhappy with the new terms, they can decide not to go ahead with the renewal.

The terms of business say:

"Renewal

All our policies are annual policies which run for 12 consecutive calendar months effective from the commencement date. Before the end of each 12 month period we will contact you by email or by post (where no valid email address is provided), to inform you about any changes to the premium and/or policy terms and conditions for the next 12 months."

If an insurer thinks the risk of a policyholder needing to make a claim has increased for some reason, it isn't unreasonable of it to change or withdraw the policy cover. Mr D has described what happened as a "*minor incident*" between two dogs. Nonetheless it was deemed sufficiently serious for his partner (with Mr D's permission) to contact Tradex about a possible claim. I've listened to a call in which his partner described their dog as "*not great with other dogs*". She said he'd attacked another dog on the ear and the other dog's owner had later told them that she was taking her dog to the vet.

I'm satisfied that Mr D's dog on this one occasion has shown aggression towards another animal. Although it wasn't a serious incident, I don't think Tradex has acted unfairly or unreasonably in taking this into account when deciding to withdraw cover for third party liability.

Tradex gave Mr D six weeks' notice that it was withdrawing cover for third party liability on renewal. I think this was sufficient. Its letter referred to Mr D having made a claim which was incorrect. I think its apology and the compensation it has paid in respect of this are sufficient in the circumstances.

I'm sorry to disappoint Mr D but I'm not persuaded Tradex has treated him unfairly or unreasonably.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 8 November 2024.

Elizabeth Grant
Ombudsman