

## **The complaint**

Mrs C complains that ManyPets Ltd (ManyPets) failed to collect monthly instalments for her pet insurance policy, causing inconvenience, distress, and financial difficulty.

## **What happened**

In September 2023 Mrs C received a renewal notice for her pet insurance. The policy was due to end in October. She contacted ManyPets and was told it hadn't collected any premiums for the last year in error. She says it asked her to pay the missing premiums, which amounted to £795.26.

Mrs C says this was a lot of money for her to find. She asked if a standing order could be set up. But this was refused. Mrs C was told she could make payments over the phone. But she didn't feel comfortable paying in this way. Mrs C says she plans her finances to avoid stressful situations. And this situation was causing her stress through no fault of her own. Mrs C says she since taken cover with another provider and is concerned that pre-existing conditions will no longer be covered.

In its final complaint response dated 1 December 2023 ManyPets acknowledged it was at fault for not collecting Mrs C's premiums. It says these should've been collected monthly via her Direct Debit arrangement. It apologised that it hadn't noticed this sooner. However, it says the full premium was still payable. It offered Mrs C two options. She could have her policy renewed to allow continuous coverage. She would then be able to pay the outstanding premiums before 23 October 2024. Payments had to be made over the phone. The alternative was for the cover to end on 23 October 2023. However, Mrs C would still be able to pay the outstanding balance over the phone by 23 October 2024.

Mrs C didn't think she'd been treated fairly and referred the matter to our service. Our investigator upheld her complaint. He accepted the business's systems meant it couldn't receive payments by standing order. But he thought it could reasonably collect the payments via Direct Debit. He thought it was fair for Mrs C to agree an affordable monthly payment and for this to be collected by this method. Our investigator says ManyPets should pay Mrs C £100 for the stress it caused her.

ManyPets agreed to pay £100 compensation but says its systems won't allow for a Direct Debit arrangement in these circumstances. In response to Mrs C's concerns that this was a risk it says any payments made by phone are secure. Mrs C didn't think this outcome was fair. She thought payments should be possible via electronic means. She also says that a higher compensation payment is warranted.

As an agreement wasn't reached the matter has been passed to me to decide.

I issued a provisional decision in June 2024 explaining that I was intending to partially uphold Mrs C's complaint. Here's what I said:

*provisional findings*

*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*My intention is to uphold this complaint in part. Let me explain.*

*There's no dispute that ManyPets is responsible for the failure to collect Mrs C's premiums. She elected to pay over a 12-month period and for the payments to be collected by Direct Debit. Because of ManyPets system error this didn't happen. However, this didn't prevent Mrs C being able to benefit from her policy. I can see she had two claims accepted during the policy term.*

*Mrs C says she's now obtained insurance elsewhere and is concerned some conditions won't be covered for her pet dog. I can understand why this is a concern. However, in its response to her complaint ManyPets offered to continue her policy, assuming she paid the outstanding balance by the end of the next policy year. This means she could've continued without a break in cover and there would be no issues regarding pre-existing conditions. A reasonable time period was also offered in which Mrs C could pay the outstanding balance.*

*Despite the error ManyPets made, Mrs C is still required to pay her annual premium in full. As discussed, she's benefitted from the claims that were paid. I can understand she prefers to pay the balance via electronic means. But I don't think making a payment over the phone is an unreasonable alternative given the limitations discussed. ManyPets has explained that Mrs C needn't read her account details out over the phone. She will be able to key in her details using her keypad. I think this is reasonable and is a commonly used method to make payments securely.*

*I note Mrs C concerns that she doesn't want to spend time calling ManyPets to make monthly payments. She says this could take 20-30 minutes each time. I can understand her concern. But I can't see that making monthly payments is a requirement. ManyPets says the balance needs to be paid in full by 23 October 2024. It didn't specify that instalments are required monthly. I think it's fair that it allows Mrs C until 23 October to pay the balance. If she wants to minimise calling time she can pay the balance by making one call prior to 23 October.*

*I've thought about the stress and inconvenience ManyPets caused Mrs C. She's explained how she finds administrative issues stressful. She tries to minimise the impact by using Direct Debit arrangements as she did in this case. She also refers to the cost-of-living crisis and says ManyPets asked her to pay a significant sum unexpectedly. I'm sorry for the stress and inconvenience Mrs C experienced. I agree that it's fair for ManyPets to acknowledge the impact it had on her with a compensation payment. But I agree with our investigator that £100 is fair. I understand Mrs C disagrees. But I'm satisfied this is reasonable having considered all the evidence and circumstances.*

*I said I was intending to uphold this complaint in part and ManyPets should allow Mrs C up to 23 October 2024 to pay her outstanding balance over the phone. And pay her £100 for the stress and inconvenience it caused her.*

*I asked both parties to send me any further comments and information they might want me to consider before I reached a final decision.*

*ManyPets didn't provide any further comments or information for me to consider.*

*Mrs C responded to say ManyPets refused to provide a quote for the following year until she'd paid the outstanding premiums. She says this was used as leverage to obtain payment. She also says it took a long time for the business to complete its investigation of*

her complaint. She says along with the time taken for our service to consider the matter she's disappointed that the payment deadline hasn't changed.

Mrs C says she doesn't want her initial included in the decision that will be published on our service's website. She says she isn't comfortable with this on a public forum.

### **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'm not persuaded that a change to my provisional decision is warranted.

I note Mrs C's comments. However, she was given the option to allow her policy to continue. She was also allowed more time to pay the outstanding premiums. I think allowing until October 2024 to pay this, which was a period of around a year, was fair. I acknowledge what Mrs C says about this timeframe. But I think ManyPets acted fairly when offering further time to pay. I don't think it's reasonable to require that it allows more time.

Our service is required by law to publish the decisions we make. We ensure they are written in a way that prevents individuals from being identified. I'm satisfied that this approach has been applied here.

So, although I'm sorry Mrs C is disappointed, my final decision is the same as my provisional decision and for the same reasons.

### **My final decision**

My final decision is that I uphold this complaint in part. ManyPets Ltd should:

- allow Mrs C up to 23 October 2024 to pay her outstanding balance over the phone; and
- pay Mrs C £100 for the stress and inconvenience it caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 29 August 2024.

Mike Waldron  
**Ombudsman**