

## **The complaint**

Mr E complains that Royal & Sun Alliance Insurance Limited (“RSA”) has unfairly declined a claim under his pet insurance policy.

Where I refer to RSA, this includes the actions of its agents and claims handlers for which it takes responsibility.

## **What happened**

The detailed background to this complaint is well known to both parties, so I’ll only summarise the key events here.

On 24 August 2023, Mr E took out a pet insurance policy underwritten by RSA. Shortly after, he made a claim for the cost of treatment for his dog following a diagnosis of intervertebral disc disease (IVDD).

RSA instructed a claims investigator who interviewed Mr E. Following this, RSA declined the claim on the basis the policy excludes any illnesses which arise within the first 14 days of the policy.

Mr E says the IVDD was caused by a trauma, and as the policy covers accidents which happen within the first 14 days, RSA are in breach of contract for declining his claim. He raised a complaint about the claim decision and the unfair investigatory practice he was subjected to.

Our Investigator didn’t uphold the complaint. She was satisfied RSA were entitled to validate the claim and it declined cover in line with the policy terms.

As Mr E didn’t agree, the complaint has been passed to me to decide.

## **My provisional decision**

The Financial Conduct Authority’s (FCA) Insurance Conduct of Business Sourcebook (ICOBS) requires businesses to handle claims promptly and fairly, provide information on the claim’s progress, and to not unreasonably reject a claim.

When making a claim under an insurance policy, the onus is on the policyholder to prove they have a valid claim. If they do, the insurer should cover the claim unless it can prove that a policy condition or exclusion applies.

Mr E has made a claim for vet fees for treatment of IVDD which is something the policy provides for. So, on the face of it, he’s demonstrated that he has a valid claim.

As RSA seek to rely on the 14-day exclusion, the onus is on it to show that this is an illness that arose within the first 14 days of the policy. The relevant policy exclusion says:

*“When we can’t help you...we don’t pay for illnesses which you or your vet were aware of in the first 14 days of your policy first starting, or any illness that develops from them. By illness we mean, both diagnosed illness and signs or symptoms of illness (undiagnosed illness).”*

It’s not in dispute that the IVDD occurred within the first 14 days of the policy. What’s in dispute is whether or not it can be classed as an illness, rather than an accident or injury – which isn’t subjected to a 14-day waiting period.

There are two main causes of IVDD; it can be hereditary (and some breeds are more prone to it than others), or it can be caused by sudden force (such as from a dog jumping and landing poorly).

The treating vet has advised that the cause of Mr E’s dog’s IVDD is inconclusive. They say that because of the dog’s breed predispositions, they can’t say that a possible traumatic event is the only factor here, rather it may well be hereditary. They say *“acute trauma may have been a contributing factor”*.

Ultimately, it seems to me that the vet acknowledges a sudden force may have occurred which caused some trauma. This is supported by their completion of the insurance claim form where they’ve stated the condition as *“IVDD suspected trauma”*. So whilst Mr E’s dog may have been at higher risk of getting IVDD eventually due to the breed, the timing on which it occurred could’ve been sparked by an injury.

Whilst Mr E doesn’t recall a specific incident, his recollection of events is that his dog suddenly started yelping and shaking one evening. By the following day, the dog was struggling on its back legs and was falling over when walking. The symptoms escalated quickly and IVDD was suspected within 24 hours of the first signs. This seems more consistent with an injury causing trauma.

As the vet evidence is inconclusive as to how the IVDD occurred, RSA hasn’t shown that, on balance, it was caused by an illness rather than an injury. For that reason, I’m not persuaded it’s proven a policy exclusion applies so it should’ve paid the claim.

I’m aware Mr E is also unhappy with how he’s been treated by RSA as he was subjected to an interview due to suspicions of fraud. I do appreciate this would’ve been upsetting for him, but I’m mindful that he took out his first pet insurance policy for his dog when she was already four years old and made a claim within a week of cover. Whilst there was a reasonable explanation to this which resulted in no further action being taken by RSA, I can understand why it was initially concerned and felt the need to investigate.

I’ve no doubt this experience would’ve been distressing and inconvenient to Mr E. I’m aware that he’s paid for his dog’s treatment himself which has caused some financial hardship. As such, I intend to award compensation.

### **Responses to my provisional decision**

RSA has provided the following comments from their in-house vet, the main points of which are:

- Jumping and landing poorly would not lead to herniation of a healthy disc. This would only cause herniation when a disc is diseased.
- If a trauma had occurred that was significant enough to rupture a healthy disc, there would’ve been other signs of such trauma.

- It's not contested that some sort of sudden movement could've contributed to the herniation of the diseased disc, but this is not considered a traumatic rupture. The disc ruptured because it was diseased.
- Rapid deterioration is not consistent with an injury. Rapid deterioration only shows that the herniated disc material compresses the spinal cord.
- Mr E's dog is a predisposed breed for Hansen Type I disc disease. The clinical presentation, and the surgery findings support a disc herniation as consequence of Hansen Type I disc disease. There is no evidence or suggestion of a trauma that would have caused a disc rupture, and the surgery notes are not consistent with a traumatic disc rupture.

Whilst Mr E accepts my provisional decision, he's asked to have sight of RSA's internal policies and guidelines on how it manages its investigatory processes. He says he's asked for this information from RSA, but it has refused to provide it.

### **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 reviewed the comments made by RSA's in-house vet, I remain of the opinion set out in my provisional decision. I'll explain why.

Firstly, RSA hasn't provided any details of the author of these comments including their name and qualifications. So I can't be satisfied they've been made by a suitably qualified professional. It's also not clear why RSA hasn't sought professional advice on this claim until now, when this should've been done before declining cover.

RSA's in-house vet says it's not contested that some sort of sudden movement could've contributed to the IVDD. And as I've explained in my provisional decision, I accept that Mr E's dog could've gone on to suffer from IVDD due to the breed predispositions at a later point in time. But the timing on which it occurred appears to have been sparked by an injury or sudden movement which has caused trauma.

The treating vet has specifically said that trauma may have been a contributing factor and that the cause of Mr E's dog's IVDD is inconclusive. The surgery notes make no diagnosis either way.

As such, I'm not persuaded that an in-house vet, who has largely quoted from websites, can determine the cause of Mr E's dog's IVDD if the professionals who examined her cannot. So I remain satisfied that RSA hasn't shown, on balance, that a policy exclusion applies here for the reasons set out in my provisional decision.

Finally, I understand Mr E would like sight of RSA's internal policies, but he'll need to make the relevant request to RSA directly. I can't say whether he's entitled to see this information as it's not likely to contain his personal data and internal procedures are usually confidential. Ultimately, this isn't something I'm determining as part of his complaint.

### **My final decision**

For the reasons I've explained, I uphold this complaint and direct Royal & Sun Alliance Insurance Limited to:

- pay this claim, minus any policy excess and up to the policy limits, plus 8% simple interest per annum from the date Mr E paid the vets until the date he is reimbursed,
- pay £150 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 11 October 2024.

Sheryl Sibley  
**Ombudsman**