

The complaint

Miss M complains that Allianz Insurance Plc mishandled her pet insurance policy.

What happened

Miss M had three pet cats insured on a policy with Allianz. The yearly premium was from October each year as follows:

2021 £ 739.07

2022 £ 821.49

2023 £1,022.75

Miss M was paying the premium by monthly instalments.

In early September 2024, Allianz said the yearly premium would be as follows:

2024 £1,294.01

That was a proposed increase of about £270.00 per year or about £20.00 per month.

Miss M called Allianz. She complained about the proposed increase. Miss M also complained that the call-handler was telling her to go elsewhere if she wasn't happy.

By a final response dated 16 October 2024, Allianz turned down the complaint.

Miss M brought her complaint to us in early November 2024.

Our investigator didn't recommend that the complaint should be upheld. He didn't think that Allianz had done anything wrong.

Miss M disagreed with the investigator's opinion. She asked for an ombudsman to review the complaint. She says, in summary, that:

- Every year the premium goes up.
- It is causing her financial hardship.

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.

Miss M asked to speak to the ombudsman. That's not something that we usually offer. The investigator gave Miss M the opportunity to put any further information in writing or

alternatively to call him so that he could make a note. She hasn't taken that opportunity. So I don't find it proportionate to speak to Miss M.

Different insurers assess risk and set premiums in different ways at different times. However, I think that most pet insurers would assess an increased risk and set an increased premium as a pet gets older.

The Insurance Product Information Document ("IPID") included the following:

"How your premium can change – your premium will increase every year and could rise significantly over the lifetime of your policy. This is because of a number of factors, including your pet's age and the increasing cost of vet bills. Your premium may also change if you move address. However, ... we guarantee we won't charge you more for claiming."

So, I'm satisfied that, when Miss M took out and when she renewed the policy, Allianz provided enough clear information about the increase in premium over the years, so that Miss M could make an informed decision.

Allianz has sent us confidential underwriting evidence that shows why the renewal price increased in 2024. From that evidence, I'm satisfied that Allianz set the proposed premium in line with its own internal guidelines. I'm satisfied that Allianz treated Miss M in the same way as it would've treated any policyholder in her situation.

From the recoding of Miss M's call in early September 2024, the call-handler said she couldn't reduce the renewal premium for the current level of cover. She made a suggestion of lowering the policy limit. When Miss M didn't agree to that, the call-handler made a suggestion of shopping around.

I don't consider that the call- handler said anything inappropriate. Rather think that she was trying to help.

I can understand that Miss M is affected by the increased cost. However, I don't consider that Allianz treated her unfairly. So I don't find it fair and reasonable to direct Allianz to reduce the premium or to do any more in response to this complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Allianz Insurance Plc to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 4 April 2025.

Christopher Gilbert

Ombudsman