

## **The complaint**

Mr N complains that Casualty & General Insurance Company (Europe) Ltd declined a claim on his pet insurance policy.

## **What happened**

Mr N made a claim on his policy for treatment costs after his dog was injured in an accident. After returning from a walk, his dog escaped from his property into the road, where she was hit by a car.

Casualty & General declined the claim, saying claims are not covered by the policy if they result from the policyholder not taking reasonable steps to prevent their dog escaping, or not keeping the dog on a lead in an area where a road is visible. Casualty & General said the circumstances of the accident meant this policy term applied.

Our investigator said what happened was out of character and unexpected and, given the location and circumstances of the incident, it wouldn't be fair to exclude the claim.

Casualty & General disagrees and has requested an ombudsman's decision. It has made a number of points, including:

- Mr N's dog ran along a path, which was not secured as it should have been, and onto the road;
- the path should have been secured before his dog was let off the lead; and
- even if his dog had not escaped previously, that wasn't relevant here.

## **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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly, and not unreasonably reject a claim.

The policy covers vets' fees but, as with all insurance, there are terms and conditions that apply. In this case, the policy includes a condition that says "*You must take all reasonable precautions to maintain your pet's health, prevent the loss or theft of your pet, protect it from injury or illness...*"

At the time of the claim, Casualty & General referred to a different clause, which was an exclusion for:

*"Claims resulting from you not taking reasonable steps to prevent your dog from escaping or straying from your property, or not keeping your dog on a lead in any area that contains vehicles or where a road is visible."*

Casualty & General later explained that term had not been included when the policy was renewed, but was later added back. I appreciate this may appear confusing. But either way, the policy required Mr N to take reasonable care and to protect his dog from injury.

Where an insurer declines a claim because it doesn't think the policyholder took reasonable care, the relevant test to consider is whether they were reckless – meaning they were aware of a risk but took no measures to reduce the risk, or took measures they knew were inadequate. When deciding this, I need to consider the circumstances at the time including, for example, whether the pet was in sight, how easy it was for them to escape, the age and characteristics of the pet, and their previous behaviour. I think the key points here are:

- Mr N's son had taken his dog for a walk. On returning home, he took the dog off its lead just before entering the house, which was reasonable. The dog was under control up to then and at the back of the house, not in an area where the road was visible.
- Just as they were entering the house, Mr N's cat ran out and the dog ran after it. There was a barrier to the path leading to the front of the house. Although it wasn't secure at that point (as they had just come back into the garden) his dog would often sit in the garden when it wasn't secure and show no signs of trying to escape. This was totally out of character – it was not something that had happened before.
- Mr N's son would not have known the dog would suddenly bolt after the cat, and would not have anticipated this. It was unexpected and, given the sudden nature of the incident, there was little time to react.

Taking all the circumstances into account, I don't consider it was fair to decline the claim.

### **My final decision**

I uphold the complaint and direct Casualty & General Insurance Company (Europe) Ltd to pay the claim in line with the remaining policy terms. If Mr N has already paid the vets' fees, it should add interest from the date he paid them until the date of settlement at 8% a year simple.

If Casualty & General Insurance Company (Europe) Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr N how much it's taken off. It should also give Mr N a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 2 May 2025.

Peter Whiteley

**Ombudsman**