

The complaint

Mrs B's complaint is about a request she made to Allianz Insurance Plc trading as Petplan ('Petplan') to increase her policy limit, which was declined.

Mrs B says Allianz have treated her unfairly and that she is now left in a position where she is struggling to afford treatment to her pet which is over the policy limit.

What happened

Mrs B took out a lifetime pet insurance policy with a cover limit for veterinary fees of £4,000 in 2019.

At some point during the previous policy year, she asked for her policy limit to be increased to accommodate a claim for cataract treatment to her pet which was estimated to cost around £7,000. Allianz told Mrs B she would need to wait for the renewal of her policy to apply for such an increase. When Mrs B did this Allianz declined the request on the basis that this was in anticipation of a known risk.

Our investigator considered Mrs B's complaint and concluded it should not be upheld. Mrs B doesn't agree so the matter has been passed to me to determine.

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 agree with the conclusions reached by the investigator for the reasons set out below. Before I explain why, I wish to acknowledge the difficult circumstances Mrs B finds herself in with regard to the cost of the treatment her pet is currently in need of, which I'm sorry to hear about.

The starting point is the policy terms. Under the heading "*Changing your pet's cover*" they say:

"If there are plans with a higher level of cover available and you want to change your pet's cover to one of these, you can apply at the renewal of your policy. The increase isn't guaranteed, and we'll let you know if we can offer the higher plan once we've reviewed your pet's vet history. If you want to change to a lower level of cover, you can contact us at any time to discuss available options."

In this case Allianz considered Mrs B's request under their policy terms but took the view that they were not prepared to offer an increase in cover for a known risk. That isn't unreasonable. The purpose of insurance is to cover risks that are unknown. In this case whilst Mrs B's policy did cover pre-existing conditions, the limit wasn't sufficient to cover the treatment to her pet. As such she was seeking to increase cover to ensure that it did. That is a specific risk Mrs B was aware of so it wasn't unreasonable for Allianz to decline this in accordance with their underwriting guidelines.

I realise Mrs B will find this disappointing but it's not for us to dictate what risks businesses should and shouldn't cover. Rather our role is to determine whether Allianz has treated her fairly, and in this case, I'm satisfied that it has.

I realise this means Mrs B is left in a position where she will need to fund the shortfall of the treatment costs to her pet herself or take a difficult decision not to go ahead with the treatment, but that doesn't mean that Allianz need to fund this gap. And it wouldn't be fair for me to compel them to do so given this is a risk they have expressly allowed discretion in their policy terms to exclude.

My final decision

For the reasons set out above, I don't uphold Mrs B's complaint against Allianz Insurance Plc trading as Petplan.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 3 September 2025.

Lale Hussein-Venn
Ombudsman