

## **The complaint**

Mr R's complaint is about a claim he made on his Alwyn Insurance Company Limited ('Alwyn') pet insurance policy.

Mr R says Alwyn treated him unfairly.

All references in this decision to Alwyn include their claims handlers

## **What happened**

Mr R took out a pet insurance policy with Alwyn which was intended to provide cover for pre-existing conditions as long as those conditions were declared by him from the outset.

When Mr R made a claim on the policy for veterinary fees to treat the pet's cruciate ligament, Alwyn declined the claim. They said they'd discovered at least three other conditions in the pet's clinical history that Mr R had not disclosed to them. Unhappy, Mr R complained. Alwyn then agreed to pay 50% of the costs applicable to the claim.

Mr R remains unhappy that Alwyn didn't pay the full amount claimed. Alwyn on the other hand say they wouldn't have provided cover for pre-existing conditions at all had Mr R disclosed the conditions that appeared in his pet's clinical record.

Our investigator considered Mr R's complaint and concluded it should be upheld. Alwyn don'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 uphold Mr R's complaint for one of the reasons set out by the investigator. This is why.

Alwyn have said they wouldn't have provided cover for pre-existing conditions at all had Mr R disclosed the three conditions they have referred to in his pet's clinical history. They refer to the following:

- Lameness in June 2022
- Shoulder injury in February 2023
- Bloody diarrhoea in February 2024

I have not had sight of the pet's clinical notes in this case and as such it's not possible to establish whether the incidents referred to in June 2022 and February 2023 have anything at all to do with the cruciate surgery Mr R was claiming for here. So even if I accept that Alwyn were entitled to decline the claim on the basis that it was pre-existing, they haven't supplied enough information or evidence to suggest that was the case here.

That means I don't need to determine whether Mr R's claim falls foul of The Consumer Insurance (Disclosure and Representations) Act 2012 (CIDRA). This requires consumers to take reasonable care not to make a misrepresentation when taking out a consumer insurance contract (a policy). The standard of care is that of a reasonable consumer. And if a consumer fails to do this, the insurer has certain remedies, provided the misrepresentation is - what CIDRA describes as - a qualifying misrepresentation. For it to be a qualifying misrepresentation the insurer has to show it would have offered the policy on different terms or not at all if the consumer hadn't made the misrepresentation. In this case Alwyn say had Mr R declared the matters I've listed above, they would not have covered pre-existing conditions. They haven't however provided any further evidence or submissions to suggest that no cover would have been available at all, so I have reached my conclusions on the basis that cover would still have been offered but not for pre-existing conditions. For the reasons I've set out above, even if I accept that Mr R made a qualifying misrepresentation, I don't think that Alwyn were entitled to decline Mr R's claim in this case. That's because they haven't demonstrated how or why the current cruciate ligament claim amounts to a pre-existing condition. Because of this, I think Alwyn should settle the remainder of Mr R's claim as I've set out below.

I turn now to the impact of Alwyn's decision on Mr R. Like the investigator, I think Mr R would have found his dealings with Alwyn frustrating. Alwyn has not been able to demonstrate any sound reasons why his claim wasn't capable of acceptance. After all, if Mr R had declared the matters Alwyn was concerned about, they would likely have still considered his claim. The only basis for rejecting it would have been that it was pre-existing but no evidence at all has been presented in this case to support that. I think therefore Mr R would have reasonably expected his claim to be paid and when this didn't happen, this would have caused him considerable concern. In light of this, I'm satisfied that Alwyn should compensate Mr R for both the stress and inconvenience caused to him in the way they dealt with his claim. I've set out a figure that aligns with awards we'd make in similar circumstances below.

I have noted what Alwyn has said about the fact that they might well have adjusted policy premiums to reflect the pet's clinical history, had Mr R declared this, and that Mr R might have found this prohibitive. But their comments are theoretical. They've not supplied any definitive evidence to support how this would have transpired with any clarity, even though they have access to the pet's clinical records. Because of this, I can't say that on balance, matters would have unfolded differently to the way I've set out above, had Mr R declared the clinical history Alwyn are concerned about.

### **Putting things right**

Alwyn should pay Mr R:

- the remainder of his claim subject to the policy terms.
- interest at 8% per year simple on the outstanding amount from the date Mr R paid for the treatment to the pet, until he is fully reimbursed.
- £100 in compensation for the distress and inconvenience they caused him.

**My final decision**

I uphold Mr R's complaint and direct Alwyn Insurance Company Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 10 September 2025.

Lale Hussein-Venn  
**Ombudsman**