

The complaint

Miss B has complained that her pet insurance intermediary, ManyPets Ltd, changed its insurance provider to a different insurer which means her policy now provides less cover for her cat's pre-existing conditions.

What happened

I issued a provisional decision on this complaint in April this year. An extract from that decision follows:

"In June 2022, Miss B took out a pet insurance policy through ManyPets, an insurance intermediary, for her cat to specifically cover a pre-existing condition called FIV (feline immunodeficiency virus) which is a condition which affects its immune system.

Miss B said that the policy initially provided a £7,000 per year limit, going up from £500 and £1,000 after a year, assuming no claims were made within the first two years of having the policy. Miss B says that the policy terms changed in 2023 and required her cat not to have had any treatment, medication or advice within the first two years and if that wasn't the case, a lower limit would apply.

Miss B said that for the first 24 months she did not make any claims and paid for treatment herself, to ensure her cat was entitled to the £7,000 per year limit.

Miss B complained to ManyPets who didn't uphold her complaint. It said Miss B had been provided with the correct information at inception and renewal and that ManyPets was entitled to amend its policies.

Miss B then brought her complaint to our organisation and said she wanted ManyPets to honour the policy terms that applied in 2022.

One of our Investigators reviewed the complaint and thought it should be upheld and that the terms that should apply are those from the 2022 policy. Our Investigator also thought that Miss B should receive £150 in compensation for the distress she suffered.

ManyPets didn't agree and asked for an Ombudsman's decision. It said that it spoke to Miss B in January 2021 when she was thinking about taking a policy out and explained how it treats pre-existing conditions. It said Miss B also agreed to renew the policy in 2023 and agreed to the new terms before renewing her policy. It added that significant changes were highlighted in its "Important changes to your Pre-existing policy" document which was sent to Miss B before the 2023 renewal.

Our Investigator didn't change his view and the matter was then passed to me to decide.

What I've provisionally 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.

ManyPets is an insurance intermediary and this means that it doesn't provide the insurance cover itself but it arranges and sells it. I've considered whether in arranging and selling the policy ManyPets was acting on behalf of the underwriter as its agent or whether it was acting on its own behalf. I decided that it was acting on its own behalf for the reasons I provide below.

The policy documents have ManyPets' branding on them and state that the policy was created by listening to the needs and suggestions of ManyPets' members. The policy terms document also offers extra benefits such as unlimited telephone advice which appears to be provided by ManyPets and not the underwriter. So this seems to be a product created by ManyPets and not the underwriter.

This is further supported by the fact that the "Important changes to your Pre-existing policy" document says "we have changed our underwriter for policies starting or renewing on or after January 2023... You don't need to do anything when your policy renews. You'll continue to enjoy the same great products and service by ManyPets".

As I think that ManyPets was acting on its own behalf, I think the responsibility for the change in any of the policies lies with ManyPets as is the decision to change the underwriter.

I've then gone on to consider whether the policy terms became more restrictive from 2023 and if so, whether ManyPets made this sufficiently clear to Miss B so that she made an informed decision about renewing her policy. I've also considered whether it is, in Miss B's case, fair and reasonable for ManyPets to apply the new policy terms.

The 2022 policy

The policy which Miss B took out in June 2022 was provided by an insurer I will refer to as 'G' and included the following terms:

"We define a pre-existing condition as "anything your pet has had treatment, medication or advice for in the last 24 months". All other conditions would be new conditions".

"When we say "pre-existing condition" we mean anything your pet has had treatment, medication or advice for in the last 24 months. We consider advice to include anything a vet observed and recorded in your pet's clinical history."

However, under "How Pre-existing Conditions cover works" there is no mention of treatment, medication or advice:

"In the first year of your policy you have £500 of cover for vet's fees and all pre-existing conditions. If you do not make a claim for any pre-existing conditions in your first year, the limit increases to £1,000 for the second year. If you still do not make a claim in the second

year, the limit will increase to £7,000.”

The policy goes on to say that “If you make a claim after your second year, the condition will be treated as if it is a new condition and so will be paid from your normal £7,000 yearly vet fee limit.”

From the terms above, I think it is clear that Miss B’s understanding that as long as she didn’t claim for the first two years her cat’s FIV would be covered up to the £7,000 limit is correct. Though it would still be considered to be a “pre-existing condition” due to the cat having had treatment/medication etc. in the intervening two years, the £7,000 limit would apply as long as no claims were made.

The 2023 policy

The insurer/underwriter of ManyPet’s policies changed the following year to a company I will refer to as ‘W’. The new terms were as follows:

“When we say “pre-existing condition” we mean

- Anything your pet has had treatment, medication or advice for in the 24 months before your policy starts.
- Any condition that showed signs or symptoms in the 24 months before your policy starts and didn’t receive treatment, medication or advice.
- Any illness or injury that shows signs or symptoms and/or receives treatment, medication, advice during a waiting period.”

The above was also highlighted as a significant change in the “Important changes to your Pre-existing policy” document.

The policy also states the following:

“Pre-existing condition is anything that shows signs or symptoms or received treatment, medication or advice during the waiting period or in the 24 months before your policy starts. We will cover these conditions up to a total of £1,500 each year.

We can cover pre-existing conditions as long as they have been free from treatment, medication or advice for at least 3 months before the treatment you’re claiming for. Once we cover a pre-existing condition, we will continue to cover it no matter how often treatment is needed.

Pre-existing conditions that have been free from treatment, medication or advice for at least 24 months before the treatment you’re claiming for will be considered new. You can claim for new conditions up to your total £7,000 Vet Fee limit if it needs treatment again.”

The 2024 policy terms are similar to the above, and the underwriter is still W.

I think it is clear that the policy provided by W is more restrictive compared to G’s policy. And that is because for Miss B to be able to qualify for the £7,000 limit her cat must not have had

any treatment, medication or advice in two years regardless of whether she claimed for this or not.

The 2021 call

ManyPets has said in correspondence with us that the terms of the 2022 policy might have been confusing. But it said any confusion would have been clarified in the 2021 call and in the renewal documents.

I don't think the 2022 policy was confusing but even if I did, I would still interpret it in Miss B's favour as the non-drafting party. So, I would still say that as long as no claims were made within the previous two years the £7,000 limit would apply.

I've listened to the January 2021 call between ManyPets and Miss B though I haven't placed much weight on it as I wouldn't expect Miss B to recall everything that was discussed a year and a half before she took the policy out. In that call Miss B called to find out about the cover that was being offered because she was considering adopting a cat with FIV. The adviser she spoke to said that anything where the pet had treatment, advice etc. within two years would be a pre-existing condition. The adviser also said that if there was no advice, symptom, treatment in the three months before the policy started the pre-existing condition would be covered. Miss B said she considered waiting three months before starting cover in that case.

I don't think there is a question as to the definition of a "pre-existing condition" as such. The argument is that a condition may be pre-existing but as long as there has been no claim made in relation to it in the preceding two years it would go onto the higher £7,000 limit. So, I don't think the 2021 call provided Miss B with any further clarification than what was in the policy documents.

Which policy terms should apply to Miss B

I think what is clear from the 2021 call is that Miss B's main objective for taking this specific policy out, was to cover her cat's FIV.

ManyPets said it is entitled to change the policy terms and this was highlighted at the 2023 renewal. I agree that ManyPets has commercial discretion as to who it decides should be the underwriter of its ManyPets branded policy. And the underwriter can decide which risks it wants to cover.

But Miss B was sold the policy on the promise that she could claim for a pre-existing condition, provided she didn't claim for that condition for the first two years. Subject to that, her pet would be covered and she could keep claiming year after year.

ManyPets says significant changes were highlighted prior to the 2023 renewal but I don't think it highlighted that the wording changed from "if you make a claim" (my emphasis) to requiring that no treatment, medication or advice be sought within two years. And given that the policy offers continuous cover for future years, it wouldn't be fair to make a change that significantly restricts the cover provided.

Even if this had been highlighted at the 2023 renewal, I am not persuaded that this would have been of any help to Miss B at that stage. I say this because pre-existing policies are rare and I am not sure whether Miss B would have at that stage, been able to find another policy which would have covered her cat's FIV and if so for a similar premium. Or if she had found another pre-existing condition policy, she may have had to restart the (two year) wait period. So, the change in the policy terms, highlighted or not, put Miss B at a disadvantage because it meant she had limited other options if any.

In the circumstances, it wouldn't be fair and reasonable for Miss B to lose out due to ManyPets failing to honour the cover promised in the 2022 policy.

I also agree with our Investigator that this uncertainty would have caused Miss B some distress and inconvenience and for this reason ManyPets should pay her £150 compensation.

My provisional decision

For the reasons above, I am considering upholding this complaint and asking ManyPets Ltd to pay for pre-existing conditions, which would have been covered, where no claim was made within the first two years up to the policy limit of £7,000 regardless of whether there was treatment, advice, medication provided to the pet over those two years.

ManyPets Ltd must also pay Miss B £150 for the distress and inconvenience it caused her."

The original deadline to respond to my provisional decision was 9 May 2025. Miss B responded to my provisional decision in time and accepted it and said she had nothing further to add.

ManyPets didn't respond by the original deadline. Our investigator wrote to ManyPets on 16 May 2025 attaching a further copy of my provisional decision and requesting a response by 23 May 2025. No response was provided. I allowed a further week for ManyPets to respond but as no response has been received I decided to proceed with my final decision.

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.

As there have been no additional comments in response to my provisional decision I see no reason to change any of the findings I made in that decision. Those findings now form the findings of this, my final decision.

My final decision

For the reasons above, I have decided to uphold this complaint and ask ManyPets Ltd to pay for pre-existing conditions, which would have been covered, where no claim was made within the first two years up to the policy limit of £7,000 regardless of whether there was treatment, advice, medication provided to the pet over those two years.

ManyPets Ltd must also pay Miss B £150 compensation for the distress and inconvenience it caused her.

ManyPets Ltd must pay the compensation within 28 days of the date on which we tell it Miss B accepts my final decision. If it pays later than this it must also pay interest on it from the deadline date for settlement to the date of payment at 8% a year simple.

If ManyPets Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss B how much it's taken off. It should also give Miss B a tax deduction certificate if she asks for one so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 27 June 2025.

Anastasia Serdari
Ombudsman