

The complaint

Mrs W is unhappy Casualty & General Insurance Company (Europe) Ltd turned down a claim she made on her pet insurance policy and voided the policy.

What happened

In July 2024 Mrs W claimed on her policy with C&G for treatment costs relating to the removal of a loose claw from her dog (H). C&G said when the policy had been taken out in September 2022 Mrs W had been asked whether H had ever shown any signs of aggression. She said he hadn't. However, having reviewed his veterinary history C&G thought H had shown signs of aggression including biting Mrs W and the vet in January 2018. It said it wouldn't have offered cover if the question had been answered correctly. It said it would void the policy and refund the premiums for the current policy year (and decline the claim Mrs W made).

Our investigator didn't think C&G had acted fairly. She thought the evidence showed any aggression by H related to procedures while he was at the vet's and were 'fear based'. Both the vet and H's groomer said that he hadn't shown aggression outside of the veterinary or grooming context. And there were no recorded incidents of that taking place. She thought it was reasonable Mrs W interpreted the question as applying to an unprovoked attack by H which didn't have a specific reason.

So she said Mrs W had taken reasonable care when answering the question and didn't think C&G was entitled to void the policy. She said it should reinstate this and consider the claims Mrs W had made (including one for emergency surgery for H). And she said it should pay Mrs W £500 in recognition of the distress and inconvenience it caused her.

C&G didn't agree. It said the policy didn't provide cover for pets that had previously exhibited aggressive behaviour. And it thought the examples given alongside the question Mrs W was asked made clear it considered a wide range of behaviour to constitute aggression. In this case there was clear evidence from the veterinary history demonstrating H's biting behaviour (which increased third party liability risk and created treatment challenges). Those incidents had required the use of muzzles, sedatives and special handling protocols.

Given the wording of the question Mrs W should have answered 'yes' to that. If she had done cover wouldn't have been offered to her. It also drew attention to policy exclusions relating to a pet which had shown previous aggressive or vicious tendencies. It thought its decision to void the policy and refund premiums for the current contract was appropriate.

I issued a provisional decision on the complaint last month. I said:

The relevant rules and industry guidelines say C&G has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably. And as the issue here relates to what happened when the policy was taken out. I've also considered what the relevant law, the Consumer Insurance (Disclosure and Representation) Act 2012 (CIDRA) says. It makes clear when taking out a policy a consumer has to take reasonable care when answering an insurer's questions. And an insurer needs to make sure the questions it asks are clear.

Mrs W took out this policy through a comparison website. When completing her application she was asked "Has your pet ever shown sign of aggression? This includes attacking or biting a person or another animal, or showing signs of aggressive tendencies". I don't think it's in dispute Mrs W answered 'No' to that question. I've considered whether she took reasonable care in doing so.

I've reviewed H's veterinary history prior to the policy being taken out. I think it's clear from that H had been extremely unhappy when being examined at the vet's. The notes from January 2018 say "attempted rectal exam as was tolerant last week - screaming in room, bit owner and bit me". In February 2019 the notes say "[clinical examination] limited as fear aggressive, was unable to approach without lunging/growling. Placed muzzle but was still unable to do much". There are subsequent discussions of behavioural medication being given to H to help with issues he had while being groomed and it appears a sedative which is used to reduce anxiety prior to stressful events was prescribed.

But there's no indication those behaviours took place outside of those environments. The vet has said H "does not have any history of aggression outside of the veterinary or groomer context". The groomer said H hadn't displayed "any behaviour whilst under my care other than a fear based aggression". I understand why Mrs W didn't consider H to be an aggressive dog. And if the question she was asked had solely referenced that she might reasonably have answered 'No' to it.

However, the question doesn't simply ask whether the pet has shown signs of aggression but gives specific examples of what that means in this context. That includes "biting a person or another animal". I think it was clear from the question this was therefore something C&G wanted to know about. And H had bitten both the vet and Mrs W in January 2018.

I appreciate that was around four years before the policy was taken out and could have represented a one off and very situation specific event. But I don't think the other evidence suggests that is the case. The vet's notes record further incidents then taking place. In addition to those I've already referenced in July 2020 the notes record that H had tried to bite his groomer. And in November 2021 the vet says "[H] is fairly aggressive and needs to be muzzled. Was given trazadone for this appointment".

I recognise there was an external stimulus to those incidents but the question Mrs W was asked was whether H had ever shown any signs of aggression. It didn't limit that to situations where there was no external cause for that behaviour. And the examples of that behaviour include where a pet had bitten someone. H had bitten two people in January 2018 and there's at least one subsequent attempt by him to do. Taking all of that into account I don't think if taking reasonable care Mrs W should have answered 'No' to the question she was asked.

Under the provisions of CIDRA that means there's been a 'qualifying misrepresentation'. That means C&G is entitled to do what it would have done if Mrs W had taken reasonable care. It says it wouldn't have offered cover at all because its policy wouldn't have been provided as an option by the comparison website. I've seen underwriting evidence which satisfies me that's the case. So I think it's acted in line with the law in voiding the policy because it would never have offered cover in the first place if given the correct information. C&G has also refunded the premiums Mrs W paid for the most recent policy year. I think it was reasonable of it to conclude this was a careless (rather than a deliberate or reckless) misrepresentation. So a refund of premiums is appropriate. However, as C&G says it wouldn't have offered cover at all if the sales question had been correctly answered I'm unclear why it's only offered a refund of premiums for the current policy year. I think it would be in line with CIDRA and fair for it to void the policy from the outset and refund all of the premiums Ms W has paid.

I appreciate this means the costs associated with the removal of H's loose claw and the significant costs Mrs W incurred for a subsequent emergency operation won't be ones C&G needs to cover. I'm sorry to bring her what I do appreciate will be extremely disappointing news. But for the reasons I've explained I'm satisfied C&G wouldn't have offered cover if the relevant question had been correctly answered. I can't fairly require it to cover claims where that's the case.

Responses to my provisional decision

Mrs W explained the circumstances which led H to bite in 2018 and said any other dog in the same situation would have acted in the same way. This was a nip rather than a bite and no injury was caused as a result. She thought H's subsequent issues at the vet were related to anxiety and not aggression (she didn't know the vet had referenced that). She disputed H had tried to bite his groomer. As she didn't regard H as an aggressive dog it was reasonable for her to answer the question C&G asked as she did. And she drew attention to the consequences of the policy being voided and thought it was unfair and disproportionate of C&G to have done so. She also suggested we discuss matters in more detail with her vet.

C&G didn't agree it should refund the premiums paid for the policy from inception. It said each insurance contract was a standalone annual one which was accepted based on the information provided at that time. And material information should have been disclosed at each renewal. It thought it was appropriate to refund the most recent premium as that was the active contract but didn't agree it should have to do so in relation to concluded contracts. And it drew attention to costs it had incurred in relation to those.

So I need to reach 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.

I recognise Mrs W has suggested we contact her vet to discuss matters in more detail. However, I don't think that's something I need to do. I've already reviewed the vet's notes and comments that vet made to C&G during the claim (which set out their views on the reasons for H's behaviour while undergoing procedures). I'm satisfied I already have the information I need to reach a fair outcome on this complaint.

Turning to the points Mrs W has raised I appreciate she doesn't regard H as an aggressive dog. I acknowledged that in my provisional decision. I also accepted there wasn't evidence of H being aggressive outside of the veterinary and grooming contexts. I also understand the particular circumstances that might have triggered his reaction in 2018. And if the question C&G asked related solely to whether H had displayed aggressive tendencies the position might be different. But the question made clear it included where the pet had attacked or bitten another person.

In this case H had done so in 2018. I recognise Mrs W says that was a nip but it's recorded as a bite in the vet's notes. I don't think that would be the case if it wasn't at a level to be categorised as such. And while Mrs W disputes H subsequently tried to bite his groomer that's also recorded in the vet's notes which I think it's reasonable to rely on in this case. Having taken H's full history into account it remains my view that, if taking reasonable care when answering the question C&G asked (and given the phrasing of that question), Mrs W shouldn't have answered no to it.

I recognise the consequences of that for Mrs W and I understand she thinks voiding the policy is unfair and disproportionate. But C&G has shown it wouldn't have entered into the insurance contract if the question had been answered correctly. So it's acted in line with CIDRA in voiding the policy and I don't think that's unfair in the circumstances of this case.

However, where a qualifying misrepresentation is careless (which C&G accepts it was here) the law says an insurer must return the premiums. C&G says it only needs to do that for the current insurance contract. But the misrepresentation took place when Mrs W first took out her policy. CIDRA says *"If the insurer would not have entered into the consumer insurance contract on any terms, the insurer may avoid the contract and refuse all claims, but must return the premiums paid"*.

C&G has said it wouldn't have offered cover at all if correct information had been provided when the policy was taken out. I appreciate the misrepresentation may have continued at subsequent renewals but it's the initial sale which has given rise to the issue here. And C&G hasn't suggested it would have covered claims made in previous years; its position is that cover wouldn't have been in place at all. I don't think it's fair for it to retain premiums in the circumstances of this case where it's accepted there was a careless misrepresentation and but for that misrepresentation cover would never have been offered.

Putting things right

C&G will need to refund the premiums Mrs W paid for this policy from inception.

My final decision

I've decided to uphold this complaint. Casualty & General Insurance Company (Europe) Ltd will need to put things right by doing what I've said in this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 8 August 2025.

James Park
Ombudsman