

The complaint

Ms W complains Red Sands Insurance Company (Europe) Limited unfairly declined a claim she made on a pet insurance policy.

What happened

The details of the complaint are well known to both parties, so I won't repeat the full details again here. Instead, I'll focus on providing my reasons for my decision.

I'll refer to Ms W's pet as B. B was taken to the vet suffering with pyometra, she was then spayed as part of a lifesaving operation. Red Sands has declined the claim as it says spaying isn't something covered by the policy. It also said that as a spay had previously been recommended as a preventative treatment for B, it wouldn't cover any of the cost of the surgery that had to be performed.

An Investigator considered the case and thought it should be upheld. She concluded Red Sands had applied the policy terms unfairly as the spay was performed as part of a life saving treatment. She said Red Sands should reconsider the claim, pay 8% simple interest on any amount later paid to Ms W and pay her £100 compensation for the distress and inconvenience caused.

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 insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the 'Insurance: Conduct of Business Sourcebook' (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and give appropriate information on its progress; and not unreasonably reject a claim. I've kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

The relevant policy term says the following:

"We don't cover any routine, preventative, elective or cosmetic treatment for any reason, even if it's recommended by a vet to prevent an illness or injury. You can see some examples of these types of treatments [here](#)....". The word [here](#) is linked to a list of treatments and Spaying is one of those treatments.

The policy terms also go on to say.

"We also won't cover claims that could have been avoided by routine or preventative treatment. For example, if your pet gets lungworm and hasn't had their regular worming treatment, this won't be covered".

I recognise, taking a strict interpretation of the policy terms, the cost of a spay isn't ordinarily covered by the policy. As this is something that is usually a routine, optional operation a pet owner may choose to have performed on their pet to prevent unwanted pregnancies. However, I don't think that fits the circumstances here.

The clause is worded in such a way that it's clear for the exclusion to apply, the treatment causing the vet fees to incur had to have been routine, preventative, elective, or cosmetic and there's simply no evidence to support this about the operation B underwent. Instead, the evidence points to it being an emergency operation to save B's life. So, I don't think Red Sands have acted fairly by applying this policy exclusion to the claim.

While it is logical that pyometra could have been avoided if B had been spayed, as without B having a uterus it wouldn't have occurred. But I think taking such a literal approach of spaying being a routine and preventative treatment and applying it to Ms W and B's circumstances doesn't produce an outcome that is fair and reasonable.

Red Sands has pointed to extracts of B's veterinary history from when she was around two to four years old to suggest that Ms W ignored recommendations to spay B. It suggests the claim was foreseeable and avoidable and as such excluded by the policy.

The relevant entries say *"06/01/2015... – Advise spay 8-12 weeks after end of season – not decided yet"*, *"14/06/2017.. – Is wanting to book in for spay once she has come out of season"*, *"24/01/2018... – Needs neutering..."* 25/04/2019 – *Owner reports last season middle of February and would want to spay her"*.

Red Sands also approached the veterinary practice responsible for those notes. Red Sands has quoted they explained it was standard clinical protocols to explain the reasons for recommending spaying. The notes in 2015 and 2018 show that it was advised at those times as was usual protocol.

Having read the veterinary history I'm not persuaded that the recommendations were made specifically about B because it was suspected she was likely to go on to have issues in the future. More, as the vets suggest, as it was clinical protocol to do so around those times given what Ms W had indicated she may wish to do.

The advice to wait until 8-12 weeks after the end of a season suggests there was a discussion around the best time to perform a spay and again in 2017 that it would need to wait until B was out of season. The 2018 note isn't quoted in full; it was actual made at a routine annual vaccination and health check up and says, *"Needs neutering, rec diet before surgery"* so again the discussion appears again to be around the timing of a possible spay should it be performed and that it was recommended B lose weight beforehand. And similarly, again in 2019 it speaks to Ms W's potentially electing to have the surgery.

Ms W has said she originally thought she would spay B but later changed her mind as she thought she may want her to have puppies. The pyometra happened nearly six years after the last entry regarding spaying and it appears there were no further discussions about this.

Given the time that passed and the veterinary notes and later explanation, when considered in context of Bs age at the time and Ms W's cited intention, I don't think it's reasonable, in the specific circumstances of this case, for Red Sands to conclude that the pyometra happened as a consequence of a recommended treatment not being undertaken. So, I don't think Red Sands has acted reasonably in declining the claim for this reason.

Having considered everything, for the reasons set out above I don't think Red Sands has reasonably applied the policy terms in all the circumstances of this claim and that in doing

so, it has reached an outcome that is unfair. As such, I am upholding Ms W's complaint.

I also think Ms W has been caused trouble and upset by the way in which Red Sands has dealt with the claim, so I think it should also pay her £100 compensation to reflect this

Putting things right

- Red Sands should reconsider the claim in line with the remaining terms and conditions of the policy. If the claim is successful Red Sands should arrange to cover the cost of the treatment B received up to any limit of the policy and excluding any excess payable.
- If Ms W has made any payments towards the cost of the treatment B received which would have been covered by the policy, Red Sands should arrange to reimburse Ms W those costs plus interest at 8% simple per year, from the date of payment to the date of settlement.
- Red Sands should also pay Ms W £100 compensation.

My final decision

My final decision is that I uphold Ms W's complaint against Red Sands Insurance Company (Europe) Limited. I direct it to put matters right as I have set out above.

Red Sands Insurance Company (Europe) Limited must pay the compensation within 28 days of the date on which we tell it Ms W accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 27 October 2025.

Alison Gore
Ombudsman