

## **The complaint**

Mr I has complained that when he bought his pet policy from Many Pets Ltd it told him it wouldn't increase his premium level in the manner it has now done.

## **What happened**

Mr I has previously made a complaint against one of the policy underwriters which has been dealt with separately and so that complaint won't be revisited in this decision. Many Pets are the broker and policy administrators of Mr I's pet policy.

Mr I believes there is no wording in the policy terms which permits his premium to be increased in the way it has, this is because when he first bought his lifetime pet policy he was told his premium would never be increased on the basis of any claims made.

Mr I bought his policy in July 2021 and paid an annual premium of £800.33 to insure his two dogs. He was told his renewal premium wouldn't be affected by any claims he made.

When his policy renewed in July 2022, he was charged a premium of £1,262.93. At the renewal in July 2023, the premium was £1,920.92. In the renewal for July 2024 the premium quoted was £2,736.79. Mr I believes his premium is being affected by the claims he made.

Many Pets agreed it didn't do enough to explain to its customers who bought their policy before July 2022 that it had changed its stance on premiums being affected by the claims made. So on that basis it paid Mr I £200 compensation.

Mr I didn't think this was fair and brought his complaint to us. The investigator was of the view that Many Pets' payment of compensation was fair. Also Many Pets don't decide the extent of the premium increases, that is for the policy underwriter to do instead.

Mr I remained dissatisfied so his complaint has been passed to me to decide.

## **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'm not upholding this complaint. I do appreciate and understand that Mr I will be very disappointed so I'll now explain why.

The first issue to note is that Many Pets are the broker and administrator of the policy which Mr I decided to buy. Therefore it doesn't decide premium amounts and neither does it decide what risks the policy covers and what risks it might not cover on renewal. The underwriter makes those decisions, not Many Pets. I am permitted to consider the actions of Many Pets only in this decision under our rules too.

The second issue to note is that all pet policies are annual policies so they renew each year. They are not policies underwritten for a set number of years. The benefits under the policy do indeed reset on renewal, however the policy remains an annual policy and nothing more. There is no contractual obligation for any policyholder to renew the policy each year either, there is also no legal obligation for consumers to have pet insurance unlike say car insurance.

The third point to note is that all documents pertaining to Mr I's complaint from both him, Many Pets and indeed his complaint against the underwriter was assigned to either of the two case references he has with our service. We don't therefore have to do things like handover notes as he believed, as everything pertaining to each consumer's complaint is held on the file with the reference so every communication from and made to both parties is all there to see. So for example, I will have seen everything on Mr I's case file against Many Pets to include the investigator's two views and everything else Mr I or Many Pets has sent into us. I have also looked at Mr I's complaint against an underwriter of this policy, which is now closed, as Mr I accepted the investigator's view concerning the underwriter named in that complaint. I did that to ensure any issues in that complaint, possibly pertaining to this complaint were noted.

I should also explain that the Financial Ombudsman Service is independent of both consumers and the businesses they are complaining about. This means that we don't act for consumers or businesses, nor do we take instructions either from consumers or businesses or allow either party to direct the course of our investigations. Were we to do so, it would compromise our independence and impartiality. It's up to us to determine what evidence is relevant and the enquiries we need to make in order to investigate a complaint. So again like the investigator, I will only comment on what I consider to be the key issues here. No disrespect at all is intended by this either, it is simply the rules under which we operate. Mr I also remains free to decide if he accepts my final decision or not also. Any final decision only becomes binding if and when the complainant accepts it.

So, I consider that it was not Many Pet's decision to increase Mr I's premium, that was the underwriter's decision. Many Pets as a broker and policy administrator can't increase premiums as they aren't authorised by the Financial Conduct Authority (FCA) to do so, only an underwriter is so authorised to set the premium and rate the risks being insured. Many Pets as policy administrator said in conjunction with its underwriter in 2022, that it could no longer provide that any premium payable by its policyholders wouldn't be affected by any claims made by the policyholder's as was the case in 2021 when Mr I bought this policy. This is because it said that other policyholders weren't happy with essentially paying for other people's claims when they themselves hadn't made any claims. So the premise under which Mr I bought his policy in July 2021 changed by the time he renewed his policy in July 2022. This change was made by the underwriter though, not Many Pets. So in this decision I am not concerning myself with the extent of the premium increases as Many Pets wasn't involved in calculating those increases. Just so Mr I is aware this service doesn't tell any underwriter or insurer what premium amount should be payable for what risk either, we simply don't have the authority to do that. The limits of our remit is simply to ensure a policyholder wasn't singled out and treated any differently to any other policyholder in those sorts of complaints against underwriters.

Therefore as Many Pets doesn't set the premium price, the points Mr I made as regards the fair value issues plus the Consumer Rights Act 2025, or indeed the Financial Services Compensation Scheme isn't relevant to Many Pets' role given it is not the underwriter. Essentially what went wrong was that Many Pets in its role as the policy administrator didn't communicate the change very well in its communications for policy renewals in 2022, where it was decided that claims made would now be taken into account for the setting of the renewal premium. Many Pets has acknowledged that, hence why it paid Mr I the sum of

£200 compensation. This is compensation for the shock of not being told the changes more clearly in 2022. It's not for anything else.

There is no dispute that initially Many Pets (under its previous name) with its then underwriter sought to distinguish its policy from other lifetime pet policies on the market by promising that claims wouldn't affect the premium price. And much was made of this difference in all its advertising at the time too. Mr I is not alone with having been attracted to this given it seemed there were no other lifetime policies available at that time which didn't take the claims made into account in setting the renewal premium.

It's also clear Mr I wanted to buy lifetime cover for his dogs so that any conditions suffered by either of his dogs would have ongoing cover for the lifetime of that dog. Non-lifetime policies will generally either have a condition limit of £x to claim and when that is used the cover for that condition stops or the condition isn't covered after the policy renews so the condition is only capable of being claimed for a limited time. And while he might have found an alternative lifetime policy, they invariably take individual claims into account and the costs tend to increase in the same way as the insured pet gets older. So even if Many Pets had made it clear how premiums could change in the future, I don't think Mr I would have acted any differently.

Many Pets as policy administrator, can never be in any position to tell any consumer exactly what their future premium might be in the ongoing policy years. But it did have a duty to provide clear and fair information which wasn't misleading. In 2022, (not 2021 when Mr I first bought this policy) it recognised it didn't give clear enough information. So it caused a loss of expectation in 2022. However I don't consider it was likely Mr I would have done anything differently as it does appear at least one claim might well have been made by this stage. Furthermore it's very clear given recent media interest that vet fees have risen substantially over the last few years, as the pet ages the likelihood of the pet requiring vet treatment increases also, and different breeds of pets, dogs especially can cause a different risk profile depending on the inherent genetic issues of each breed too. So, pet insurance premiums can and do rise year on year and there is no limit as to how high premiums might rise either.

I do understand and appreciate Mr I remains very upset at the premium level he is now expected to pay, and he believes under the policy that it wasn't possible for the underwriter to do that. However as Many Pets doesn't decide the premium level, its remaining duty was to provide adequate notice of this, which it didn't do. So I consider it's right that Many Pets should pay compensation to Mr I for the upset this loss of expectation caused by its lack of clear information in 2022.

I consider the compensation of £200 paid to Mr I by Many Pets is sufficient compensation for this upset only. It is in line with our approach to compensation for these matters, more fully detailed on our website, so on that basis, I consider it's fair and reasonable here.

### **My final decision**

So, for these reasons, it's my final decision that I don't uphold this complaint. If it is the case that Many Pets still need to pay Mr I the compensation of £200 it said it paid him, it should now do so

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 13 March 2026.

Rona Doyle

**Ombudsman**