

The complaint

Mrs D complains ManyPets Ltd didn't make it clear that claims would affect the premium of her lifetime pet insurance policy or that her policy would automatically renew.

What happened

The circumstances of this complaint are well known to both parties. And as the Investigator detailed what happened in their view, I won't repeat events here. Instead, I will focus on the reasons for my 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.

In 2020, Mrs D took out a lifetime pet insurance policy for her dog. The policy was sold by ManyPets but was underwritten by an insurer. Mrs D has been clear that her complaint is about the change ManyPets made to her policy which meant from 2022, claims would be taken into account when calculating premiums.

ManyPets was responsible for the information given to Mrs D when she bought the insurance. It had a responsibility to take reasonable steps to provide appropriate and timely information so Mrs D could make an informed decision about whether to buy the policy. And the information needed to be clear, fair and not misleading.

ManyPets accepts that when Mrs D first purchased the policy, it had told her individual claims wouldn't affect her premiums. I appreciate that reflected the pricing position at that time. But that subsequently changed. It doesn't appear Mrs D was given any indication that could happen. And as she was deciding on lifetime cover, I think this was something she should have been told so she could make an informed choice as to whether the policy was right for her.

Despite this, I think it's likely Mrs D would have still gone ahead with the policy even if ManyPets had told her individual claims would affect the premiums. I say this because as a prudent pet owner Mrs D's priority was ensuring her pet was adequately covered. And it's likely that even if Mrs D had sought insurance from another provider, she would have found herself in a similar position with claims being taken into account.

Nonetheless, when the premiums did increase and Mrs D was told individual claims would now be considered, that would have understandably, been a shock for her. Mrs D took out the policy thinking it would cover her pet for its lifetime, so to find she wasn't able to continue affording cover would have been upsetting for her. Particularly as she's now going to have to fund the cost of any existing treatment herself – noting Mrs D has said her dog's prescription food was previously covered.

So, having thought about the impact on Mrs D, I'm satisfied the £250 total compensation our Investigator recommended is fair and reasonable in the circumstances.

Renewal

As explained by the Investigator, the evidence shows ManyPets sent renewal information to Mrs D in 2025. So, whilst Mrs D says she didn't receive this, based on the information I've seen, I'm satisfied the renewal notification was sent by ManyPets. So, I find it had done what I'd expect it to do.

Mrs D said she wasn't aware the policy would automatically renew. I, however, must keep in mind that since Mrs D took the policy out in 2020 it has automatically renewed each year. And that it would automatically renew, was included in both the policy wording at the time of sale and each year the policy renewed. So, I'm satisfied ManyPets had made it clear the policy would automatically renew, and given it had in previous years, I'm not persuaded this was unexpected.

Mrs D is also unhappy she couldn't reduce her policy's cover outside of the renewal period. ManyPets explained it could only reduce cover – and maintain continuous cover – if changes were made within the 28-day renewal period. It added that reducing cover outside of this time would mean a new policy would be created. This applies to all policies for all customers. So, I don't find ManyPets treated Mrs D unfairly in this respect.

My final decision

My final decision is I uphold this complaint and direct ManyPets Ltd to pay £250 in total for the distress and inconvenience caused to Mrs D.

ManyPets must pay the compensation within 28 days of the date on which we tell it Mrs D 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 Mrs D to accept or reject my decision before 11 March 2026.

Nicola Beakhust
Ombudsman