

The complaint

Mrs M complains that Casualty & General Insurance Company (Europe) Ltd declined a claim on her pet insurance.

What happened

Mrs M made a claim on her policy for vets' fees after her dog needed some treatment.

Casualty & General noted that her dog had a certificate saying he could be taken on school visits for a charity. Casualty & General said this meant her dog was a therapy or working dog and Mrs M should have disclosed this when she bought the policy. It said there had been a misrepresentation by Mrs M and, if this information been disclosed, it would not have sold the policy to her, as it doesn't provide cover for working or therapy dogs. It also referred to an exclusion in the policy terms for working dogs.

Casualty & General declared the policy void and refunded the premiums for the most recent policy period.

Mrs M says this is unfair, as her dog isn't a trained therapy dog, and she simply takes it into school sometimes with a charity which arranges visits for children with emotional challenges - it's unpaid volunteering, for which her dog has had no training, and she receives no payment for this.

Our investigator did not think there had been a misrepresentation by Mrs M. She asked Casualty & General to reinstate the policy, and pay compensation.

Casualty & General disagreed and requested an ombudsman's decision. Before proceeding with a decision I sought further comments from Casualty & General. It has maintained its position. So I need to make a decision.

The key points Casualty & General has made include:

- The exclusion is clear and any dog that is used for a purpose other than as a pet is not covered. The use of Mrs M's dog in the school is beyond the normal scope of a family pet. The assumption that she agreed to forms part of the overall disclosure framework and the policy wording clearly excludes dogs used in this way.
- The dog was assessed and registered with the charity, and taken into a school setting to interact with children. The activity is a 'working purpose' – performing a function (whether paid or not).
- The charity is a business entity operating with membership and registration fees, so the dog's registration and deployment through that scheme is connected with a commercial framework. This is not purely domestic pet ownership.
- There was a misrepresentation. If Mrs M had disclosed this use, the policy would not have been sold.

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.

Casualty & General says there was a misrepresentation by Mrs M. The law relating to this is the Consumer Insurance (Disclosure and Representations) Act 2012 ("CIDRA"). This requires consumers to take reasonable care not to make a misrepresentation when taking out an insurance policy. The standard of care is that of a reasonable consumer.

If a consumer fails to take reasonable care and makes a misrepresentation, the insurer has certain remedies if there is a qualifying misrepresentation, as defined in CIDRA. For it to be a qualifying misrepresentation the insurer has to show it would either have offered the policy on different terms or not offered it at all, if the consumer hadn't made the misrepresentation.

CIDRA sets out a number of considerations for deciding whether the consumer failed to take reasonable care. One of these is how clear the question asked was.

Having considered this carefully, I don't think it was fair to decline the claim or void the policy, for the following reasons:

- When Mrs M bought the policy she wasn't asked a question, but was asked to confirm some assumptions. The relevant one said:
"My pet will not be covered and no claim will be paid if he/she is used to earn money or used in connection with any business, or for guarding, racing, coursing or fighting."
- I think this is clear and Mrs M should have disclosed if her dog was used for any of those purposes. But her dog wasn't used for any of these – he wasn't earning any money, this was not a business and there was clearly no guarding, racing, coursing or fighting involved. These are the things she was asked to disclose and there was nothing for her to disclose in response to this.
- The key point is the question that was asked and, based on the above, I'm satisfied Mrs M took reasonable care when confirming that assumption. So I don't consider there was a misrepresentation. And that means it would not be fair to void the policy.
- Casualty & General also relied on an exclusion in the policy terms, which says the following are excluded from cover:
*Any dogs used for business, commercial trade, racing, guarding, showing or working purposes,
Any dogs who are used or trained for purposes other than as a domestic or household pet."*
- I don't think it could be said Mrs M's dog was used for any business, commercial, trade, racing, guarding, showing or working purposes.
- I appreciate Casualty & General's point is that that her dog was used or trained for purposes other than as a domestic or household pet – because he had been assessed and certified to be used in the school.
- I've taken that on board and, if applied strictly, the exclusion might be said to apply. But I need to consider whether it is fair to apply it in the circumstances. Mrs M's dog was not trained in any way. He's not a therapy dog. The assessment was simply to confirm that he was friendly and well behaved. She took her dog to the school so the children had the chance to pet or cuddle him.
- The purpose of the exclusion is that this is a policy for pets – not for commercial or working dogs, or dogs that have been trained to carry out tasks, where different risks

may arise. Here, this was simply a family pet being taken into school where he was still effectively acting as a family pet. This is quite different from a therapy or support dog, who is trained to perform certain tasks. Her dog was effectively acting as a pet with the children.

- Casualty & General says the exclusion refers to use “in connection with any business”. This was a charity, not a business. As far as Mrs M was concerned, she wasn’t using her dog for any business purposes. This is a family pet which is simply taken into school sometimes to interact with children as a family pet.
- I appreciate Casualty & General’s view there was an increased risk from taking the dog into a school and interacting with others. But the same might be said of any situation where her dog was with a group of people.
- Taking all of this into account, I’m satisfied Mrs M took reasonable care and did not make a misrepresentation. And, on balance, I don’t think it is fair to apply the exclusion in the particular circumstances of this case.

Mrs M has said she did not carelessly or ‘stupidly’ mislead Casualty & General. It was a shock to have the claim declined and distressing to be told the answer she gave wasn’t true. In the circumstances, a payment of compensation would be fair to acknowledge this.

My final decision

I uphold the complaint and direct Casualty & General Insurance Company (Europe) Ltd to:

- Reinstate Mrs M’s policy, remove any record of the policy being void, and consider her claim in line with the remaining policy terms.
- Pay £150 compensation to Mrs M for the distress and inconvenience caused to her

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs M to accept or reject my decision before 9 February 2026.

Peter Whiteley
Ombudsman