

## **complaint**

Mr S complains The Equine and Livestock Insurance Company Limited ('E&L') has increased the premium and excess on his pet insurance policy.

## **background**

In 2012 Mr S took 'lifetime' pet insurance with E&L, which covers ongoing conditions. In 2013/14 he had some problems with E&L. His excess more than doubled, and when he complained it said this was a mistake. E&L paid him the balance due from earlier claims, and money he'd have claimed had the excess been correct.

In 2015 E&L increased Mr S's policy premium and excess. He complained about this.

E&L agreed to hold the premium at the previous year's price, given the earlier problems. But it wouldn't reduce the excess. It said it could increase premiums and the excess. It looked at factors including the dog's age, breed and postcode, and the general claims costs. It said it applied the increases to all customers with the same criteria. Mr S asked us to look into this as he didn't think it was fair E&L could make these changes.

Our adjudicator said E&L was able to decide what it would charge for the policy. It had explained this clearly in the renewal document, and highlighted the change in excess. E&L had treated Mr S the same as other customers, so hadn't singled him out for the increase or treated him unfairly. The policy had a claim limit of £5,000, so the adjudicator didn't think the excess meant the policy was unusable.

Mr S didn't agree. In summary, he said we should protect consumers from 'predatory and unfair' practices. Most of his claims were between £250 and £500, so E&L had effectively guaranteed it would make a profit. He said E&L's track record of high complaint numbers had been ignored by the regulator. Our conclusion that E&L acted fairly because it applied an increase to a group of customers is an illogical way to deal with an individual complaint.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The price E&L charges for the policy premium and the excess is up to it to decide. I'm looking at whether E&L treated Mr S fairly. So it's not for me to say whether E&L has priced the policy to make a profit or even if its value for money. If price is to be regulated that's for the Financial Conduct Authority (FCA), which makes rules for the financial industry.

I appreciate Mr S is unhappy with our approach, but I can't intervene unless I think E&L has treated him unfairly. I don't think it has.

E&L takes into account various things when deciding the policy premium and excess. This includes the age of Mr S's dog, its breed and where he lives in the country. E&L's pricing also includes the risk it will have to pay for future claims during the policy term. It uses the same factors for all of its customers so I don't think it treated Mr S unfairly.

I can see Mr S might have some concerns because of E&L's earlier mistake with the excess. But I'm satisfied it applied the correct excess on the 2015 policy renewal.

**my final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 April 2016.

Amanda Maycock  
**ombudsman**