

The complaint

Mr R complains that Red Sands Insurance Company (Europe) Limited declined a claim on his pet insurance policy.

What happened

Mr R has a pet insurance policy which he took out in March in 2016 and then renewed in March each year. It's a non-lifetime policy, which means that cover is provided for each condition for up to 12 months.

Mr R made a claim for vet's fees in April 2021 after his pet had treatment for a urinary condition between January and February. The claim was paid in May 2021 and Red Sands then wrote to Mr R explaining that as a claim had been paid, cover for that condition would only last 12 months and it was adding an exclusion to his policy for all claims with respect to the urinary system. The exclusion would apply from the policy renewal in March 2021, being the first renewal after the treatment had taken place.

The policy renewed again in March 2022 and again included the exclusion for all claims relating to the urinary system.

Mr R then made a claim relating to vet's fees for investigation of urinary incontinence/dysuria but Red Sands declined this claim. It said the condition had started in January 2021, which was more than 12 months earlier. Mr R complained. He said this was a different condition from the earlier condition but Red Sands said it would in any event be caught by the exclusion for all claims relating to the urinary system.

When Mr R referred the complaint to this service our investigator said the exclusion would apply to the claim and so it was fair for Red Sands to refuse the claim. So Mr R has requested an ombudsman's 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.

Some pet insurance policies offer lifetime cover. Lifetime policies are usually more expensive as they provide a greater level of cover than standard policies, which only provide cover for a limited time. Mr R has a standard policy so cover is limited to 12 months for each condition. The policy terms say:

"This is a Time Limited policy. This means each new condition is covered for 12 months – as long as you renew your policy. The 12 months starts from the date your pet first showed signs or symptoms of the condition. At the renewal after the condition started, we'll add an exclusion to your policy – but you can carry on claiming for the condition if you haven't already reached your 12-month limit."

The renewal policy schedule issued in March 2022 included the exclusion for urinary claims

after 10 March 2021. As this claim was made after that date, it was caught by the exclusion.

I appreciate the treatment costs Mr R claimed for may not have been for the same condition as the earlier claim. But the exclusion isn't limited to the specific condition; it covers anything relating to the urinary system. Because this was a time-limited policy, it didn't provide ongoing cover in the way a lifetime policy would. At renewal, Red Sands reviews any claims made in the previous year and when deciding whether to offer cover for another 12 months, considers whether to add exclusions. The policy terms allow it to make changes to the cover provided.

Red Sands has explained that where there has been treatment for a urinary condition, it will add an exclusion for all claims relating to the urinary system.

Mr R points out that when he accessed his account using an online portal, the exclusion listed there only referred to the specific condition. I can appreciate it may have been confusing if the information there was different from the policy documents. But it's the wording on the policy documents that sets out the level of cover provided. The exclusion is clearly set out in the policy documents and these were provided to him.

Taking all of the above into account I consider Red Sands acted fairly and in line with the policy terms when it declined the claim.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 October 2023.

Peter Whiteley
Ombudsman