

## **The complaint**

Ms R has complained about the service she received from West Bay Insurance Plc after she made a claim under her pet insurance policy.

## **What happened**

Ms R took out insurance for her dog with West Bay on 6 January 2021. The policy was renewed on 6 January 2022 and 2023. She paid the premium in instalments.

On 1 March 2023 Ms R's vet submitted a claim on her behalf for treatment her dog had received between 1 December 2022 and 16 January 2023 costing £404.31 in total. West Bay acknowledged the claim shortly after and said it aimed to assess the claim within four weeks.

On 18 May West Bay accepted the claim. It said it would deduct two excesses of £100 each and two co-payments from the settlement as the treatment spanned two policy years.

Later that month Ms R contacted West Bay to cancel the policy. She complained about the fact that two excesses had been deducted from the settlement and about poor service.

West Bay said it was entitled under the policy to deduct two excesses. But it did agree that there had been unnecessary delay in dealing with the claim and paid her £40 compensation for that. It also said as a successful claim had been made, Ms R was liable to pay the balance of the premium due for the remainder of the policy year.

Ms R brought her complaint to the Financial Ombudsman Service. Our Investigator upheld it in part. He recommended that West Bay should pay an additional £110 compensation for the delay in dealing with the claim.

As the parties didn't agree, the matter has been referred to me.

## **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.

The treatment for Ms R's dog crossed two policy years.

In the policy schedule it says:

### **"FIXED EXCESS AND CO-INSURANCE**

The fixed excess is the amount you are required to pay towards each illness or injury your pet suffers from. It is applied again to any treatment of an illness or injury that carries over into a new period of insurance. ... An additional 10% co-insurance excess is applied to every veterinary fee claim made from the date your pet turns 5 years of age. This amount will be deducted from the claims settlement after the deduction of any fixed excess applicable."

I think this was sufficiently clear that an excess is payable for each policy year. I appreciate that when the fixed excess is £100 and the claim is relatively small but crosses two policy years, the excesses and co-payments will eat into a large part of the claim settlement. But those are the policy terms and I don't think West Bay treated Ms R unfairly in applying them.

Ms R's dog was born in November 2016. So he had turned 5 years of age by the time of the claim. That means West Bay was also entitled to apply the additional 10% co-insurance excess.

Looking at a timeline of the complaint I can see that West Bay acknowledged Ms R's claim on 3 March 2023. The claim wasn't assigned to an assessor until 12 April 2023. On that date it requested the dog's medical history from the vet. It received that on 13 April but the history only went back to 2021. The assessor then tried to get the information from the dog's previous vet. On 18 May it received all the information it needed and the claim was settled shortly after that.

West Bay acted reasonably in asking for more medical history in order to assess the claim. But at the outset West Bay shouldn't have taken almost six weeks to start processing the claim. I think that would have caused Ms R unnecessary trouble and upset, especially since she had paid the vet's bill for the treatment in full in February and had been told the claim should be assessed within four weeks. I agree with our Investigator that the further sum of £110 is appropriate to compensate Ms R for this.

With regard to cancellation, it is standard practice in the insurance industry for policy holders to be charged the full premium for a policy if they make a claim on it during the policy year. This was made clear to Ms R in West Bay's Terms of Business Agreement which said:

"If you wish to cancel your policy and a claim has been made, or if a claim is made against you, the remaining premium for the policy year will be charged in the month of cancellation. (This will not apply in the event of the loss or death of your pet). If you wish to cancel your policy, please contact us using the details above. Upon receipt of your cancellation request, we shall cancel your policy."

I'm satisfied that West Bay hasn't treated Ms R unfairly in requiring her to pay the balance of the annual premium on cancellation as she had made a claim in the policy year.

### **My final decision**

For the reasons set out above, I uphold this complaint in part and require West Bay Insurance Plc to pay Ms R a further £110 to compensate her for the trouble and upset caused by its delay.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 23 October 2023.

Elizabeth Grant  
**Ombudsman**