

The complaint

Ms H complains about how ManyPets Ltd (ManyPets) communicated with her about options when her pet insurance policy came up for renewal.

References to ManyPets include their agents.

This decision only covers Ms H's complaint made to this service in April 2023, following ManyPet's final response issued in October 2022. That response also included reference to a previous complaint about communication in March 2022 and ManyPet's final response issued in April 2022. This decision doesn't cover the issues raised in the latter complaint (and ManyPet's response).

What happened

Ms H had a pet insurance policy through ManyPets covering her dog. The policy was due for renewal in October 2022 and about a month before Ms H received a renewal notice. The monthly premium was £105.43 (compared to £68.96 the previous year) and the excess on claims was £69. Ms H recalled phoning ManyPets to discuss renewal options that might reduce the premium (as the renewal documents didn't contain options). ManyPets sent Ms H renewal options shortly before the renewal date, but in the same template and format as other communications.

Ms H emailed ManyPets to ask why the renewal options (appearing to be standard) weren't those she'd discussed over the phone. Ms H had asked for those detailed options to be sent to her in writing so she could consider them further. Ms H received a response from ManyPets, but in a format she didn't find easy to understand nor to relate them to what she had previously been told over the phone. She also wanted to know the impact of varying (increasing) the level of excess under the policy. ManyPets responded with several options for the policy excess (one including a 20% co-payment on each claim). The policy was then renewed, on the same basis as before.

Ms H was unhappy at how ManyPets had communicated the policy options (and responded to her queries) before the policy was renewed on the same basis as before. So, she complained to ManyPets. ManyPets didn't uphold the complaint. In their final response they referred to Ms H's emails in October 2022 asking about the policy limit for vet fees and the impact of changing excess levels under the policy. ManyPets also referred to a response to Ms H's emails (clarifying the policy limit and the impact of varying the policy excess) sent the day after Ms H's emails. As ManyPets had provided the information before the renewal date of the policy (and Ms H hadn't responded) they couldn't [retrospectively] amend the policy until the next scheduled renewal date (October 2023).

Ms H then complained to this service. She said ManyPets knew she wanted to reduce the monthly cost of the policy, but because she hadn't taken any action, her policy had renewed on the same terms, and she couldn't make any changes to the policy. She said she could potentially have opted for changes to her policy that would potentially have saved her between £40 and £50 a month on her premiums. She wanted ManyPets to present the policy options in a format she could readily understand and to be given the choice to opt for changes to her policy without affecting the continuance of her policy.

Our investigator didn't uphold the complaint, concluding ManyPets didn't have to do anything further. The investigator noted the policy renewal notification was sent 28 days before the policy renewal date, including the monthly premium. Ms H contacted ManyPets five days before the policy renewal date to discuss policy options. Quotations were generated from the discussion and sent to Ms H by email shortly after the call (the same day). Ms H replied with two emails, querying the policy limit on vet fees and requesting options for the level of policy excess. ManyPets responded to both emails the following day. The investigator thought the email made clear the alternative quotes and the impact of varying the policy excess. And there was no evidence of Ms H responding after this date, the policy auto renewed on the existing terms.

Ms H disagreed with the investigator's conclusions, and requested an ombudsman review the complaint. In disagreeing, she said she didn't think the information sent by ManyPets was clear. And ManyPets hadn't complied with several of the FCA principles governing how a financial services business should conduct business.

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.

My role here is to decide whether ManyPets have acted fairly towards Ms H.

The key issue in Ms H's complaint is the way in which ManyPets communicated the options for her policy following the renewal notice issued in September 2022. Ms H says the options weren't presented in a form she could readily understand, and it was clear she wanted to reduce the cost of the policy (the monthly premiums). ManyPets say the options were discussed in detail over the phone when Ms H contacted them, and they sent her quotes generated from the discussion by email later the same day. And when Ms H raised queries about the policy limit on vet fees and the impact of varying the policy excess, they responded the following day (before the policy renewal date).

In considering the issues, I've looked at the sequence of events. ManyPets sent the renewal notice in September 2022, 28 days before the policy was due to (auto) renew. I've not seen any evidence to indicate Ms H contacted ManyPets before the call she made in October 2022, five days before the policy renewal date. I haven't been provided with a recording of the call, but from what Ms H and ManyPets have told us, it seems a number of options were discussed in detail during the call. This is what I'd expect to happen where a policyholder wants to discuss options to change the policy at renewal (and in Ms H's case, looking to reduce the monthly premium, which had increased from £68.96 to £105.43 at renewal).

I've also seen the email sent to Ms H shortly after the call, with quotes generated from the discussion. There are three monthly premiums quoted, which appear to reflect alternative levels of cover available as options. They include the level of cover Ms H was on (monthly premium £105.43 and vet fee limit of £15,000) and two other levels of cover (with lower limits on vet fees – a monthly premium of £97.64 for a limit of £7,000 and a monthly premium of £53.53 for a £3,000 limit). Looking at the email, the information is clear on the premium level and the associated policy limit on vet fees. And alternative levels of cover are a standard feature of pet insurance policies more generally, and a way of obtaining different (lower) levels of premium.

Having reached this conclusion, I've noted Ms H replied, first to query the limit on vet fees for the highest level of cover (she thought it was £20,000 rather than £15,000). And second, to ask about the impact of varying the level of excess under the policy. I can see ManyPets

responded the following day. First, to confirm the policy limit on vet fees was £15,000 (not £20,000). And second, to set out the impact on monthly premium of increasing the excess for Ms H's current level of cover (from £69) to, respectively: £99 (premium reduces to £102.35); £130 (reduction to £99.79); £160 (reduction to £97.13); and to £160 with a 20% co-payment on claims (reduction to £77.70).

I think the email is clear on both queries raised by Ms H. It also clarifies the excess is only deducted from the first claim made each policy year, as well as explaining what the 20% co-payment means. The email also offers to discuss the impact of varying the excess for the two alternative levels of cover mentioned in the initial email sent after the call.

I've seen no evidence to indicate Ms H responded to the second email, so the policy auto renewed four days later (as both the email and the renewal notice indicated it would).

That being the case, I've concluded ManyPets acted fairly and reasonably in their communication to Ms H, setting out the ways in which she could reduce the monthly premium – firstly by varying the level of cover under the policy. And secondly by varying the excess (and co-payment).

I've also concluded the information was clear and readily understandable.

While I've reached these conclusions, I've also considered the specific point raised by Ms H about ManyPets not complying with several FCA principles and other requirements. Taking the points highlighted by Ms H in her response to our investigator's view in turn, I think ManyPets had *"communicated the price to you in a way that is clear, fair and not misleading"*. Nor do I think the information provided by ManyPets on price was 'misleading' (not allowing her to make an informed choice). Or, on the issue of 'Restricted Choice', Ms H could have chosen not to renew the policy (and change insurers) if she wasn't happy with the premium in the renewal notice (or any other terms and conditions).

And on the FCA principles, I've not seen anything to indicate ManyPets hasn't conducted its business with integrity; with skill, care and diligence; not paid due regard to the interests of their customers or treated them unfairly; or not paid due regard to the information needs of their clients or not communicated information in a way which is clear, fair and not misleading.

My final decision

For the reasons set out above, my final decision is that I don't uphold Ms H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 5 September 2023.

Paul King
Ombudsman