

## **The complaint**

Mrs B complains that The National Farmers' Union Mutual Insurance Society Limited declined a claim under her horse and rider insurance policy and that they handled her claim badly.

## **What happened**

For several years, Mrs B had a horse and rider insurance policy underwritten by NFU. This covered loss of her horse, vets' fees, personal accident and liability, amongst other things.

In May 2020, Mrs B made a claim for veterinary treatment for her horse, which was suffering with problems with its liver. Sadly, Mrs B had to have the horse put to sleep in October 2020 and made a claim for that loss.

NFU declined the claim. They said the policy excluded claims relating to conditions which either pre-dated the policy or had been subject to an earlier claim. And they referred Mrs B to a claim she made in 2013 when the horse had received treatment relating to a liver condition.

Mrs B wasn't happy with this decision and made a complaint to NFU. She said the claim had been wrongly declined because there was no proof that the condition she was claiming for in 2020 was connected with the condition the horse suffered from in 2013.

Mrs B is also unhappy that she'd been encouraged to make the claim when she'd made an enquiry with her local NFU office. She said there had been unnecessary delays in NFU's handling of the claim. And she said they'd changed their reasons for declining her claim.

Mrs B also says NFU continued to collect premiums after they'd been informed her horse had been put to sleep. She also later expressed her dissatisfaction with NFU's handling of her complaint. And complained that her telephone conversation with her local NFU office hadn't been recorded.

NFU maintained that their decision to decline the claim had been correct. They said the condition suffered by the horse in 2020 was the same condition which led to the claim in 2013. They said the reasoning provided to Mrs B had changed based on new evidence provided by Mrs B's own vet.

They also said the telephone conversation between Mrs B and her local NFU office wasn't recorded because staff were working from home due to the COVID lockdown.

However, they admitted their handling of her complaint had been delayed and sent a cheque to Mrs B for £100 in compensation.

Mrs B wasn't happy with this outcome and brought her complaint to us. Our investigator looked into it and thought that whilst NFU were justified in declining the claim, they hadn't necessarily provided an acceptable service to Mrs B.

She concluded that there were unnecessary delays in the claim handling. She felt NFU

should have sought expert advice sooner – and shouldn't have declined Mrs B's claim solely on the basis of the evidence from her own vet.

She also noted that there was a delay in NFU confirming the horse's death with the vet - and ceasing to take premium payments from Mrs B.

She thought these issues had caused Mrs B further upset and distress at a difficult time and asked NFU to pay a further £100 compensation to Mrs B for her trouble and upset.

Mrs B disagreed and asked for a final decision from an ombudsman. She wants NFU to reconsider her claim.

### **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.

Mrs B's policy terms and conditions booklet includes a list of general exclusions, which apply to the whole of the policy. One of these general exclusions says:

*"We will not pay any claim... which directly or indirectly arises from, or is connected with any accident, illness, disease or condition that happened, manifested, was present or had been diagnosed in the horse before the start of cover or, was the subject of a previous claim made under the policy."*

That kind of term isn't unusual in this kind of policy. It's not hidden in the small print and it's not ambiguous. It sets out pretty clearly what risks NFU aren't going to cover - and it's available to all potential customers when they receive the policy terms and conditions.

There's no dispute that Mrs B made a claim in 2013 for treatment relating to problems with her horse's liver.

Her vet originally told NFU that the horse had been receiving treatments – supplements – since that time until the time of the 2020 claim. And he said the symptoms expressed in 2020 were possibly connected to the 2013 condition.

On that basis, NFU said the continuous treatment has clearly been for a continuous condition and declined the claim.

The vet then told NFU the treatment had been changed in 2020. A particular supplement had been provided from 2013, but a different treatment had been prescribed more recently.

NFU quite rightly took that new information into account. They also quite rightly realised that they now needed an expert view as to whether the 2020 issue was indeed a recurrence of the same (2013) condition or arose from it or was connected with it.

NFU referred the matter to an expert consultant veterinary surgeon, who concluded that the issues the horse experienced in 2020 were linked to the condition diagnosed in 2013. He said:

*"I am of the opinion that this animal suffered, in 2020, with acute liver pathology that caused symptoms of hepatic encephalopathy... The clinical evidence indicates that the liver pathology this animal incurred in 2020 was a recurrence of a condition..."*

So, in essence, in this case, we have a veterinary expert saying the 2013 and 2020 episodes

are linked and Mrs B's own vet saying they're possibly linked. There's no expert saying they're not linked.

It's not for me to re-assess Mrs B's claim. I have to decide whether NFU have acted fairly and reasonably in light of the information they had at the time. And given the opinions offered by the experts, I can't sensibly conclude that NFU have acted in any way unfairly or unreasonably in declining Mrs B's claim.

Mrs B has told us that the horse's symptoms were different in 2013 and 2020. And she's said the change in medication shows the conditions were not linked. But I don't think either of those facts is significant in the face of the expert evidence. Different symptoms will on occasion flow from the same root cause and different medications can be used to treat the same condition. And, as I say, the *expert* evidence here only points in one direction.

### **Putting things right**

I agree with our investigator that the claim might have been handled with more speed – and, in particular that NFU should have referred the case to the veterinary expert sooner.

I also agree that there were unnecessary delays in the NFU confirming the horse's death. They admit they initially approached the wrong vet for confirmation.

And I agree those delays and errors have caused unnecessary upset and distress for Mrs B. In my view, the £100 suggested by our investigator is fair and reasonable compensation for the additional distress Mrs B experienced at what must have already been a difficult time.

Just to clarify, I'm not convinced that NFU did anything wrong in not recording the phone call when Mrs B rang her local NFU office for advice about a possible claim.

In the circumstances at the time, it wasn't unreasonable to continue to provide a service for their customers, even if they didn't have the facilities to record phone conversations involving staff working from home.

Finally, in response to our investigator's view, Mrs B said NFU should be made to pay back the premiums they continued to collect after the horse's death.

I believe we were under the impression those premiums had been refunded. But if they haven't – because NFU were awaiting the outcome of our investigation – they should be refunded now.

### **My final decision**

For the reasons set out above, I uphold Mrs B's complaint.

The National Farmers' Union Mutual Insurance Society Limited must pay Mrs B £100 in compensation for her trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 5 April 2022.

Neil Marshall  
**Ombudsman**