

The complaint

Miss A's complaint is about two claims she made on her The National Farmers' Union Mutual Insurance Society Limited ('NFU') horse and rider insurance policy.

Miss A says NFU treated her unfairly when they declined her claims.

What happened

Miss A took out a horse and rider insurance policy with NFU in late December 2022. In March 2023 she made one claim on the policy for her horse in respect of stiffness through her back following a recommendation by an equine rehabilitation centre that she contact a vet about this. In April 2023 Miss A told NFU her horse's vet also suspected her horse had a gastric ulcer and asked to claim for this as a second claim.

Miss A purchased her horse in July 2022 but didn't arrange insurance for her until five months after that. NFU said this delay gave them cause of concern as well as the fact that the horse was being kept at a rehabilitation yard to be restarted. NFU instructed agents to investigate the horse's history with a view to establishing whether there was cover available for the claims Miss A was making. They say the evidence they obtained supported that it was likely the conditions Miss A was claiming for were pre-existing and that there were several inconsistencies in the evidence given by Miss A and the training yard the horse was kept in which supported this. As such they turned down Miss A's claim for cover.

Miss A says NFU acted unreasonably. She says the evidence they obtained did not properly give weight to the evidence she presented from experts involved with her horse both before and after the start of the policy. She says her position is supported by the evidence of the vet and physiotherapist who treated her horse who say that the conditions being claimed for were not apparent until February 2023 at the earliest. In addition, Miss A says the information NFU have relied upon are from people that had no involvement with her horse before the policy was in place so can't attest to the conditions being pre-existing. Miss A wants compensation and for NFU to pay her claims.

Our investigator considered Miss A's complaint and concluded it should be upheld. She thought the weight of the evidence supported that the behaviour Miss A's horse was exhibiting prior to the policy being in place was most likely to be unconnected with the conditions she was eventually diagnosed with. Because of this she said NFU should pay the claims in line with the policy terms plus interest at 8% per year simple from when the claim should have been accepted as well as compensation of £300 to Miss A. NFU doesn't agree so the matter has been passed to me to determine.

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.

Having done so, I uphold Miss A's complaint for broadly the same reasons set out by the investigator and in the same way. I'll explain why below. Before doing so however I wish to

acknowledge the volume of submissions and evidence provided by both of the parties in this case. Whilst I have read and considered everything, I won't be addressing each and every point they have made. Rather I'll be focussing on the crux of this complaint, namely whether NFU have established that they were entitled to turn down Miss A's claims in the way that they have.

The starting point is the policy terms. They say:

"Existing conditions

WE will not pay any claim for a HORSE 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 under this POLICY.

- Such illness, disease or CONDITIONS will include, but are not limited to, the following;*
- any form of arthritis (including but not limited to bone spavin and degenerative joint disease)*
- any colic episodes where previous surgical colic has been performed*
- sarcoids*
- tendon or ligament strains, sprains or ruptures occurring in the same or opposite limb*
- lameness associated with structures within the foot recurring in the same limb or happening in the opposite limb."*

So, the issue I need to determine is whether the claim arises directly or indirectly or is connected with any accident, illness, disease or condition.

Condition is defined as *"Any change in behaviour, internal or external symptoms appearing or recurring in any area of the HORSE'S body, whether or not a specific illness or disease is diagnosed."*

The claims Miss A made in this case are for arthritis of the thoracic facet joint and gastric ulcers. NFU say the evidence they have, on balance supports that the horse was exhibiting a change in behaviour and therefore a condition before the policy was in place which was connected to the conditions she was eventually diagnosed with. The evidence they rely on is from an equine rehabilitation centre Miss L's horse was taken to after being kept at a yard, following an incident where Miss A was thrown off. They obtained a statement from that centre which sets out Miss L had contacted them because they specialised in finding out what was wrong with a horse who wasn't behaving as expected, and they were able to propose a path of rehabilitation. Their advice to Miss L was that the horse must have been in pain to have thrown her off and that she was advised not to ride her again until the horse had been brought to them. The evidence from the centre also says that it was obvious something was not right with the horse on arrival and that once they had started long reigning her, it was obvious that the horse was sore in both her hocks and sacroiliac joints. It was also noted they thought she had stomach ulcers and had noted facet joint pain. The statement goes on to say that the horse was obviously in pain before coming to them and the fact that she had thrown Miss L off supported this.

NFU also rely on the statement of the yard owner where the horse was kept prior to going to the rehabilitation centre and following Miss L's fall from the horse. In her statement the yard owner said she was concerned that the horse's ridden behaviour and schooling deteriorated since arrival and that she was getting worse and not progressing as expected.

Miss L's case on the other hand is that the evidence does not support that her horse had any issues that were related to the conditions she was claiming for before the policy was in place. She relies on statements from someone who trained the horse from Autumn 2022 who said she was not displaying any symptoms of injury but rather behaviour that was

normal for a young horse. There is also a statement from a yard owner that says she rode the horse in August and September 2022, and she was in fine form and typical of a young horse. Essentially Miss L's case is that there was no change in the horse's behaviour and the incident of her being thrown off is consistent with that of a young untrained horse. Miss L also says the horse was assessed by a vet in February 2023 during which she was seen, lunged, and ridden and had her back X rayed. The advice she received was that there was nothing physically wrong with the horse and it might be best to get her schooled by a confident rider. In addition, Miss L says the account provided by the rehabilitation centre misconstrued the things she told them about the incident when she was thrown off and that the incident was not significant at all. She's also made considerable comment about the evidence of the yard owners who were keeping the horse before she was moved to the rehabilitation centre and their methods and feels this evidence shouldn't be relied upon.

Having considered everything both parties have said, I'm not satisfied that NFU have established that on the balance of probabilities the exclusion they're relying on applies here. In order to do so, NFU would need to show that the claim arises directly or indirectly or is connected with any accident, illness, disease or condition. And in this case NFU are saying that the change in the horse's behaviour when Miss A was thrown off her in December 2022 is enough to establish a change in behaviour. The policy commenced in late December 2022. So even if I accept that when the horse was seen by the rehabilitation centre in March 2023 it was exhibiting signs of arthritis and gastric ulcers, I would need to be satisfied that this was also the case before December 2022.

NFU feel this is supported by the absence of evidence when the horse was purchased because she was not vetted, the fact that the horse was not performing as expected at the yard at which she was kept before the rehabilitation centre, the fact that Miss A had been thrown off the horse in early December 2022, that there were two routine visits to a physio in January and then February 2023. They also cite that Miss A had told the horse's vet that she was worried the horse had kissing spines as she swishes her tail, has her ears back and is not forward going. NFU say that all of this evidence taken together suggests the horse was exhibiting symptoms of the conditions it was later diagnosed with before the policy was in place. In addition, they say the fact that she was not ridden since early December 2022 also supports this.

I appreciate why NFU have raised the matters they have. But I'm also satisfied that Miss A has provided a plausible explanation for all of the horses' behaviours prior to the policy being in place and reasons why she didn't immediately insure her- namely because she was considering whether to keep her, given Miss A's personal circumstances. From everything I've seen, it's just as likely that the horse was behaving in the way she was before the policy was in place because she was a young untrained horse. In this case there is no clinical evidence at all to support that the horses' behaviours before the policy incepted on balance suggested arthritis and gastric ulcers. And that's what we would expect to see in circumstances like this. The evidence I've seen suggests the horses' behaviour was consistent from the time she was purchased until she went to the stay at the yard before the rehabilitation centre. The yard owners comments seem to support that the horse's ridden behaviour and schooling deteriorated since arrival and that she was getting worse and not progressing as expected. So, I think it's fair to say that at some point during her stay, there was a change in behaviour when she started deteriorating but it's not clear when this was and so I don't think it can be safely said this was before the policy started to run. When making this determination I accept that it could be that the horse started developing signs, behaviours or symptoms of the conditions currently claimed for immediately before that or even immediately after the policy incepted. Whatever the case, the onus is on NFU to show that it was more likely than not that this was the case before cover was in place. And based on the weight of the evidence, I'm not satisfied they've done so in this case. Because of that I think they need to put things right as I've set out below.

Putting things right

NFU should pay:

- Miss A's two claims in accordance with the remaining policy terms.
- Interest on those claims to Miss A at 8% per year simple one month from the date they were made, until she is reimbursed.
- £300 in compensation for the distress and inconvenience caused to Miss A as a result of their decision to turn down her claims. When making this award I've taken into account the ways in which Miss A said NFU's decision affected her and the impact this had on her.

My final decision

I uphold Miss A's complaint against The National Farmers' Union Mutual Insurance Society Limited and direct them to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 23 July 2024.

Lale Hussein-Venn
Ombudsman