

## **The complaint**

Ms M complains QIC Europe Ltd ["QIC"] has unfairly settled a claim she's made on her equine insurance policy for some treatment for her horse's laminitis.

## **What happened**

QIC is the underwriter of this policy and so it's responsible for this complaint about the way a claim has been settled. References I make to QIC's actions include those of its agents dealing with the claim on its behalf.

The background to this complaint is well known to the parties and has been previously detailed by our Investigator so I have provided a summary here.

- Ms M owns a horse, which I'll refer to as "W", insured under an equine insurance policy underwritten by QIC.
- W experienced symptoms including weight shifting and digital pulses in its front feet. Ms M made a claim on her policy for treatment but the claim to cover the cost of remedial farriery was declined as QIC said the condition existed before cover commenced. However, UKI did make a "without prejudice" offer of £500 due to an error it made relating to an exclusion for pre-existing conditions being missed.
- Ms M raised a complaint with this Service but our Investigator didn't uphold it, saying that W's remedial shoeing more likely related to a pre-existing condition and was therefore not covered under the policy. She said QIC's "without prejudice" offer of £500 was fair and reasonable. The case closed shortly after and these details are merely included as background history of this claim.
- Sometime later, Ms M obtained further evidence and made another complaint to QIC. It issued a further final response but still didn't agree to pay the claim. It said there wasn't enough evidence to show the remedial farriery related to a condition other than the pre-existing one which was excluded under the policy. But the £500 offer remained available.
- Ms M made a further complaint to this Service. During the course of our Investigation, she presented further evidence which was shared with QIC. This led it to decrease its settlement offer to £283.20 as it said it was only liable to pay the additional costs, over and above the ongoing shoeing costs for any other condition.
- Our Investigator considered the evidence and agreed QIC's revised offer was fair and reasonable in light of the new evidence. She said W had required regular shoeing unrelated to laminitis - the condition being claimed for – and the additional costs over and above this should be paid by QIC. This amounted to £283.20. Ms M disagreed and asked an Ombudsman to make a 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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly; provide reasonable guidance to help a policyholder make a claim and appropriate information on its progress; and not unreasonably reject a claim. They should also settle claims promptly once settlement terms are agreed. I'll be keeping this in mind while considering this complaint together with what I consider to be fair and reasonable.

My focus in this decision will be on Ms M's second complaint and I won't be making any findings on the complaint that went before this.

- I have carefully considered the new evidence presented by Ms M in support of her claim to decide whether QIC has fairly settled the claim.
- Ms M provided evidence from her farrier. He confirmed W had been regularly receiving corrective farriery to deal with another condition before laminitis was diagnosed.
- During a visit in July 2022, the attending vet diagnosed W with laminitis. After this, he and the farrier decided to change the shoeing slightly to deal with the condition and this involved an increased cost, over and above the regular shoeing cost.
- Given that W was already having remedial shoeing undertaken and I've not been given evidence to consider which persuades me this work should also be covered under the policy, I don't think it would be fair and reasonable to direct QIC to cover the full cost of all the shoeing work undertaken.
- So I've considered the information I've been given about the costs of this treatment provided by Ms M's vet. From this I can see the farrier clinic cost before the laminitis diagnosis was £228 and for the two subsequent sessions while dealing with the laminitis, the cost increased to £240 in August 2022 and £247.20 in September 2022. The combined increased cost was £31.
- The regular shoeing then continued. Then there was a reoccurrence of the laminitis with an additional cost of £84 per month over the next three clinics for shoeing with pads and gels to deal with it. The additional cost for this was £252.
- I have thought about this very carefully and have concluded that QIC's offer to pay Ms M the increased costs of the treatment for laminitis totalling £283.20 is an appropriate way for this claim to be settled. I recognise that Ms M is unlikely to agree with this figure but I'm satisfied it is fair and reasonable in all the circumstances.

## **My final decision**

QIC Europe Ltd has already made an offer to pay Ms M £283.20 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that QIC Europe Ltd should pay Ms M £283.20.

QIC Europe Ltd must pay the compensation within 28 days of the date on which we tell it Ms M accepts my final decision. If it pays later than this it must also pay interest on the compensation from the deadline date for settlement to the date of payment at 8% a year

simple

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before **18 October 2024**.

Paul Phillips  
**Ombudsman**