

## **The complaint**

Miss S complains that Allianz Insurance Plc has not paid a claim on her horse insurance policy.

## **What happened**

Miss S took out a policy for her horse, which started on 13 March 2024 and is underwritten by Allianz.

She made a claim on her policy for treatment costs relating to investigations into back pain, which was diagnosed as kissing spines, and arthritis/degenerative joint disease of the hocks.

Allianz considered the claim but said its investigations showed a number of inconsistencies and misrepresentations in the information provided by Miss S, she hadn't provided a valid response to its enquiries into these points, and so it wasn't able to assess the claim.

Miss S complained but Allianz again said it couldn't assess the claim without further information from her. So she referred the complaint to this Service. She said:

- she had provided evidence to Allianz, including from her vet, confirming the claim had no relation to any past issues
- she had asked Allianz to explain which part of the policy was not fulfilled and it hadn't answered this, but had excluded all areas of the current claim.

Our investigator said Allianz hadn't shown that, despite the discrepancies in the information provided, it would not have sold the policy, or that the claim is excluded by any exclusion added to the policy. So she asked it to reconsider the claim in line with the policy terms, and pay compensation of £300.

Allianz didn't agree and so I need 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, and not unreasonably reject a claim.

The policy covered the cost of veterinary fees if Miss S' horse needed treatment for an illness or injury. In the first instance, it's for Miss S to show she has a valid claim.

Miss S made a claim for vets' fees. She has shown, on the face of it, a valid claim for treatment costs. So Allianz either needs to pay the claim or show why the claim is not covered. Allianz says it hasn't declined the claim, but can't assess it due to discrepancies in the information Miss S provided. I don't think that's a reasonable approach to take.

If there are apparent discrepancies in the information Miss S has provided, it's reasonable for Allianz to investigate those; there might be valid reasons not to pay the claim. But Miss S asked Allianz to explain which policy conditions had not been met and it didn't respond.

Allianz did say she had provided inaccurate information when the policy was sold and, as a result, it added some exclusions to the policy, backdated to the start date. Insurers can do that in some circumstances but to do so, Allianz would need to show there was a qualifying misrepresentation. This would involve evidencing that the information provided was inaccurate and providing underwriting guidance to show those exclusions would have been added if Miss S had provided accurate information. Allianz hasn't provided this. Nor has it shown that any exclusions apply to this claim.

As it stands, Allianz hasn't made a decision on the claim. It has added exclusions to the policy without showing it's entitled to do this or that they are relevant to the claim. In circumstances where Miss S has shown, on the face of it, she has a valid claim, Allianz should deal with that claim in line with the policy terms and – if it wishes to decline the claim – show there's a valid reason to do so.

Insurers have a duty to deal with claims promptly. Allianz has carried out an investigation into the claim, so should have the information it needs to make a decision. It should inform Miss S of the decision within four weeks of the date on which we tell it Miss S accepts my final decision. If it does need any further information, it should request that promptly.

Having the claim left unresolved has caused Miss S distress, not knowing whether her claim should be covered. She's explained that she had to borrow money to pay the vet, which caused her some anxiety and has affected her quite badly. Allianz should compensate her for the distress and inconvenience caused.

### **My final decision**

I uphold the complaint and direct Allianz Insurance Plc to

- consider the claim in line with the policy terms and either pay the claim or, if it wishes to decline the claim, show why it's not covered, within four weeks of the date on which we tell it Miss S accepts my final decision; and
- pay compensation of £300 for the distress and inconvenience caused to Miss S.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 7 March 2025.

Peter Whiteley

**Ombudsman**