

## The complaint

Mrs A complains that The Equine and Livestock Insurance Company Limited (trading as The Insurance Emporium) unfairly declined her claim on a horse insurance policy.

## What happened

The horse was a mare, who had been born in about January 2007.

Mrs A acquired the horse in about July 2019.

From 13 February 2023, Mrs A took out a policy with The Insurance Emporium. The policy insured the horse for the insured sum of £1,500.00 or its market value (whichever was less). The policy automatically renewed every month.

The policy contained definitions including the following:

*“Immediate Humane Grounds’ Your Horse sustains an Injury or manifests an Illness or Condition that is so severe as to warrant immediate destruction to relieve incurable and excessive pain and that no other options for Treatment are available at that time. (source: BEVA Guidelines For The Destruction Of Horses Under All Risks Mortality Insurance Policy).”*

The policy contained the following:

*“Cover – death If Your Horse dies or is put to sleep by a Vet on Immediate Humane Grounds during the Policy Term as a result of an Injury, Illness or Condition; settlement is assessed on the sum insured or Market Value whichever is less...”*

The policy contained exclusions including the following:

*“Exclusions*

*1. Euthanasia performed without Our permission unless Your Vet confirms it was on Immediate Humane Grounds.*

*...*

*12. Putting Your Horse to sleep (i) for financial reasons...”*

On 11 May 2024, the horse was suffering from colic and Mrs A’s vet ended her horse’s life.

Mrs A made a claim on the policy. On about 24 May 2024, The Insurance Emporium declined the claim.

By mid-June 2024, Mrs A had complained to The Insurance Emporium that it should meet her claim. By a final response dated 24 July 2024, The Insurance Emporium turned down the complaint. Mrs A brought her complaint to us in mid-August 2024.

Our investigator recommended that the complaint should be upheld. He thought that the vet euthanised the horse under immediate humane grounds and in line with BEVA guidelines.

The investigator recommended that The Insurance Emporium should:

1. pay Mrs A £150.00 compensation for any distress and inconvenience caused by declining the claim; and
2. pay the claim in line with the terms and conditions of the policy; and
3. include 8% simple interest from the date the claim was declined (24 May 2024) up until the date of settlement.

The Insurance Emporium disagreed with the investigator's opinion. It asked for an ombudsman to review the complaint. It says, in summary, that:

- An alternative treatment was available in the form of surgery for the colic, however this was ruled out because of financial constraints.
- Mrs A's vet declared on the claim form that the euthanasia was not carried out in line with BEVA guidelines.
- Mrs A's vet made comments regarding terminal shock with hindsight, rather than at the time the decision to euthanise the horse was made.
- The euthanasia didn't meet the criteria required to result in a successful 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.

The illness of her horse was, of course, bound to cause Mrs A distress and inconvenience.

Insurers have a duty to deal with claims promptly and fairly.

The BEVA guidelines include the following:

*"Horses in terminal shock or that have no likelihood of survival should be euthanised".*

That part of the guidelines isn't part of the policy terms.

I accept that the claim form asked the treating vet whether the euthanasia had been performed in line with BEVA guidelines and the treating vet ticked a box answering in the negative.

It's common ground that the vet performed the euthanasia without permission of The Insurance Emporium. So The Insurance Emporium contacted the treating vet.

The vet's response dated 4 July 2024 included the following:

*"Where colic is concerned the guidelines state: 'Non responsive colic cases and those that are potentially surgical should be referred for surgical exploration as soon as is necessary to ensure proper efforts are made to effectively treat the condition. Horses in terminal shock or that have no likelihood of survival should be euthanised'.*

*In [this mare's] case, surgery was not considered an option by the clients due to financial constraints and [the mare] not being insured for vets fees.*

*Consideration was taken to refer her to our local equine hospital to establish the exact diagnosis for colic and to ensure no medical route was possible.*

*However [the mare's] pain became progressively worse during this discussion and she was not responding to pain relief or sedation. She became recumbent and would not stand and I was concerned over her safety being transported to hospital and the likelihood of incurring injury during transit.*

*Following discussion with specialists at the local equine hospital, it was deemed likely that [the mare's] colic was surgical with an unknown prognosis and therefore the risks of transporting a recumbent or distressed horse, combined with surgery not a possibility for the client, we elected to euthanise on welfare grounds.*

*No second opinion was sought and no post mortem was performed.*

*Ultimately in [the horse's] case an alternative diagnostic path or treatment was available to us in the form of surgery for the colic however the prognosis for the condition is unknown without a post mortem or surgery. It was also going to be very difficult transporting [the horse] safely to the equine hospital.*

*On reflection the mare was likely in terminal shock but I could not state if there was no likelihood of survival due to lack of post mortem or surgery.*

*Therefore assessing the BEVA guidelines as stated above, it does not qualify, but this is a very grey area in my opinion. It is my belief that in absence of a surgical option as in this case, that immediate euthanasia was warranted on welfare grounds."*

That response was about two months after the event. I find it thoughtful and considered.

From that response, I accept that for financial reasons, Mrs A had ruled out the option of surgery. The response also confirms and expands the vet's opinion that the euthanasia had not been in line with BEVA guidelines.

However, the horse had been in pain. From the vet's response, I find that she confirmed that the illness or condition of colic was so severe as to warrant immediate destruction to relieve incurable and excessive pain. As a result of the illness or condition of colic, Mrs A's vet performed the euthanasia.

Further, the vet's response said that the horse was likely in terminal shock. The vet appears to read the guidelines as containing "*terminal shock*" and "*no likelihood of survival*" as additional requirements, whereas I consider that they are alternatives (albeit overlapping). So I find that the opinion of "*terminal shock*" is enough to make the euthanasia in line with the BEVA guidelines.

From the vet's response, I find that, after Mrs A had ruled out the option of surgery, the horse's pain was getting worse, and she went down. It goes without saying that if the vet had an option for treatment there and then, she would've mentioned it.

The only option for treatment was at a distant equine hospital. And the vet was concerned over the safety of transporting the horse there. So - keeping in mind the immediacy of doing

something for the horse - I consider that no other options for treatment were available “*at that time*”, that is at the time of the euthanasia.

So I consider that The insurance Emporium treated Mrs A unfairly by declining her claim on the grounds that the vet hadn’t confirmed that the euthanasia was on “Immediate Humane Grounds”.

Also, I don’t conclude that this was a case of putting the horse to sleep for financial reasons. The vet said that immediate euthanasia was warranted on welfare grounds.

### **Putting things right**

I’ve thought about what’s fair and reasonable to direct The insurance Emporium to do try to put things right.

I consider that The insurance Emporium should meet the claim in line with the policy terms other than exclusions 1 and 12 quoted above. Insofar as that results in a payment to Mrs A, I take the view that it’s fair and reasonable to direct The insurance Emporium to add interest at our usual rate from 24 May 2024.

I consider that The insurance Emporium caused Mrs A unnecessary extra distress and inconvenience in the aftermath of an already difficult time for her.

That included causing her to have to make more contact than should’ve been necessary. It also included making her re-live the traumatic process of deciding to put an end to the suffering of her horse. I conclude that £150.00 is fair and reasonable compensation for such extra distress and inconvenience, in line with our published guidelines.

### **My final decision**

For the reasons I’ve explained, my final decision is that I uphold this complaint. I direct The Equine and Livestock Insurance Company Limited (trading as The insurance Emporium) to:

1. meet the claim in line with the policy terms other than exclusions 1 and 12 quoted above; and
2. insofar as it pays Mrs A in settlement of her claim, pay simple interest on such payment at a yearly rate of 8% from 24 May 2024 to the date of payment. If The insurance Emporium considers that it’s required by HM Revenue & Customs to take off income tax from that interest, it should tell Mrs A how much it’s taken off. It should also give her a certificate showing this if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate; and
3. pay Mrs A £150.00 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs A to accept or reject my decision before 7 March 2025.

Christopher Gilbert

**Ombudsman**