

## **The complaint**

Miss S complains that Allianz Insurance Plc rejected 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. Allianz considered the claim but said there were inconsistencies and misrepresentations in the information provided by Miss S and so it wasn't able to assess the claim.

Miss S referred a complaint to this Service and I issued a decision where I said it was not reasonable to leave the claim unresolved. I directed Allianz to make a decision and either pay the claim or explain why it wasn't covered, and pay some compensation for the distress and inconvenience caused to Miss S.

Following this, Allianz considered the claim but said the condition was present in the first 14 days of the policy and that meant it was not covered. Miss S complained about this decision.

Our investigator said it was fair to decline the claim, but

- Allianz should have made a decision at the time and confirmed the claim wasn't covered.
- Failing to clarify this to Miss S raised her expectations that the claim might be covered, only for it to be declined, and Allianz should pay compensation of £200 for the distress caused by this.

Allianz accepted the investigator's view and said it would pay the compensation but Miss S did not agree. 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 terms say there's no cover for any illness that shows symptoms in the first 14 days of cover starting. This is not an unusual term in this type of policy. Allianz says the condition claimed for was present during that period. I've considered whether that was a reasonable conclusion to reach, based on the evidence available.

The clinical records include a note dated 9 April 2024, which says "*Owner reports two weeks ago noticed was just not right...*" Two weeks before 9 April would be within the first 14 days

of the policy. So if that's an accurate record of when the symptoms were first seen, it would be fair to decline the claim.

Miss S says that is not correct; the vet made an error, and should have noted two days, not two weeks. She says the issue started on 7 April 2024, which was not during the first 14 days. But when Allianz contacted the vet about this, they confirmed Miss S first contacted them on 1 April and an appointment was made for 11 April (later brought forward to 9 April due to a cancellation).

On the one hand, Miss S says there was an error which she corrected – in a phone call to Allianz, she said the correct date was 7 April 2024. On the other hand, the evidence from the clinical records say it had started earlier. As that's a record made at the time, it carries some weight.

I appreciate Miss S disagrees, but this was questioned and the vet hasn't provided any persuasive evidence to contradict that. I've seen a comment from the vet that the treatment they gave was unrelated to historic lameness issues but I don't think that means it wasn't showing signs or symptoms in the first 14 days of the policy. Although Miss S has said the problem only started on 7 April, that's not consistent with her contacting the vet before that date. She must have contacted the vet on 1 April because she had concerns then; she wouldn't have made an appointment unless there was something that needed attention.

Weighing up all the evidence I think, on balance, it was reasonable for Allianz to conclude there were signs of the condition in the first 14 days of the policy and decline the claim on that basis.

I do agree, however, that Allianz could have made this decision on the evidence it had, and avoided unnecessary delay - as I explained in my decision on the previous complaint. I've previously awarded some compensation for the delay in making a decision and can't reconsider the previous complaint. But now that Allianz has made a decision, I've considered some further points Miss S has made about the consequences of that.

She says:

- If Allianz had declined the claim then, she would not have gone ahead with the expensive treatment. She has incurred over £6,000 in treatment costs and would not have done that if she'd known the claim would not be covered.
- £200 is not a fair amount of compensation – a higher award should be made, so Allianz will take note and ensure future claims are processed properly.

Although the claim isn't covered under the policy terms, if Allianz led Miss S into thinking it would be covered and she acted to her detriment as a result, it might be fair to award compensation for any loss she suffered.

Allianz didn't at any time confirm the claim would be covered. Surgery was carried out around the end of May 2024, at which point Allianz was investigating and asking questions about the horse's medical history. So when the treatment was arranged, there was no guarantee it would be covered. Indeed, Miss S knew that Allianz had concerns, which it was looking into.

In these circumstances, I wouldn't be able to conclude that she only proceeded with the treatment on the basis Allianz incorrectly told her the costs would be covered.

Allianz has agreed to the investigator's recommendation to pay £200 compensation for the distress caused to Miss S. She has asked for a higher amount, which she says would push Allianz to deal with further claims correctly.

When awarding compensation, my role is not to punish a firm but to put right the harm caused to the individual. I awarded compensation previously for the distress caused by the delay in making a decision. Looking at the additional points raised now Allianz has made a decision, I think the figure of £200 would be fair. Allianz has said it will arrange for that to be paid. If it hasn't yet made the payment, it should now do this.

### **My final decision**

I uphold the complaint and - if the payment hasn't already been made - direct Allianz Insurance Plc to pay compensation of £200 for the distress 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 17 June 2025.

Peter Whiteley  
**Ombudsman**