

The complaint

Miss B complains that The National Farmers' Union Mutual Insurance Society Limited (NFU) increased her insurance policy excess at renewal and didn't adequately inform her about this.

What happened

Miss B made a claim under her Horse and Rider Insurance policy, which is underwritten by NFU, in April 2023. At this point, she discovered that her policy excess had increased from £145 to £250 at the renewal in November 2022. Miss B says this wasn't sufficiently drawn to her attention at the time. She says NFU should have emailed her renewal documents, and the follow up letter it sent, in line with her specific communication preference, rather than sending it in the post. She says she never received the posted documents.

NFU says all the renewal documentation was sent to Miss B in the post, as with previous years. It says this is the normal process unless a different method of communication is specifically requested by the policyholder. And it says Miss B didn't request email communication until March 2023.

Our investigator considered the complaint but didn't think it should be upheld. She said NFU hadn't acted unfairly or unreasonably by increasing the excess, or in how it communicated this to Miss B.

Miss B didn't accept our investigator's findings. So, as no agreement has been reached, the complaint has been passed to me to decide.

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, and while I appreciate it will come as a disappointment to Miss B, I agree with the outcome reached by our investigator for the following reasons:

- NFU is entitled to review the risks and associated costs of the policy each year at renewal, as each renewal is effectively a new contract of insurance.
- NFU says the risk factors that informed the decision to increase the excess included Miss B's horses age, and that she had made previous claims on the policy in 2019 and 2022. This doesn't seem unfair or unreasonable in the circumstances.

- The change to the excess was clearly stated in the renewal documents which were sent to Miss B in September 2022, in advance of the renewal which took place in November 2022. And NFU also sent a separate letter to Miss B, also in September 2022, specifically highlighting the excess increase. Based on this, I'm satisfied NFU clearly communicated the change to Miss B in good time, so that she could make an informed choice about whether to continue with the renewal.
- I appreciate Miss B says she didn't receive the renewal communications or the follow up letter. But I've seen evidence from NFU that these were sent, and they were correctly addressed. So, it wouldn't be reasonable for me to hold NFU responsible for the fact that Miss B didn't receive them in these circumstances.
- Miss B feels strongly that NFU ought to have emailed the documents. But the evidence available shows that NFU had sent all renewal communications to Miss B in the post from the point of inception up to when she requested email communications – in March 2023. I've seen no evidence to support that Miss B requested email communications prior to March 2023.

Taking all of the above into account, I'm not upholding this complaint as I don't consider that NFU has made an error in the way it communicated the increase in excess, or that it has treated Miss B unfairly or unreasonably in the circumstances.

My final decision

For the reasons I've explained above, I don't uphold Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 29 August 2023.

Adam Golding
Ombudsman