

The complaint

Mrs C has complained about Lloyd's Insurance Company SA's decision to reject a claim she made under her overseas holiday home and buildings insurance policy.

What happened

Mrs C made a claim for damage she says was caused by a neighbour to her holiday home. Her insurer Lloyd's rejected the claim as it said no insured event had occurred.

Mrs C says the claim should be met under malicious damage. She says the neighbour is responsible for damage caused when they took down a 'lean to' which was attached to her holiday home and caused damage.

Lloyd's didn't uphold Mrs C's complaint and so she brought the complaint to us.

Our Investigator didn't recommend the complaint should be upheld. She didn't find evidence of malicious damage caused by the neighbour. So as no insured event occurred, she didn't think Lloyd's had acted unreasonably.

Mrs C didn't agree and so she wants an ombudsman 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.

Mrs C's policy provides cover for specified insured events such as flood, fire or theft. It doesn't provide cover for every eventuality.

When Mrs C made her claim, Lloyd's instructed a surveyor to attend. This happened while Mrs C was at the holiday home. The surveyor reported that at least part of the guttering claimed to have been removed by the neighbour wasn't attached to Mrs C's property before the works by the neighbour began. This was supported by available online images of the properties. And the surveyor said some of the damage may have been pre-existing. As there was no evidence of malicious damage, Lloyd's didn't find that the damage being claimed for was covered under the policy.

I understand Mrs C doesn't agree. But I haven't seen evidence of equal weight to contradict the professional opinion of the surveyor. So I don't think Lloyd's acted unreasonably in choosing to rely on that opinion when reaching its decision to decline the claim.

Mrs C says the neighbour maliciously damaged her holiday home. Lloyd's provides cover for "malicious persons or vandals". It doesn't provide a specific definition for this, so our approach is to consider the damage as malicious if the person who damaged the property intended to do harm. If the property was damaged accidentally, through neglect or poor maintenance, we wouldn't usually consider this to be malicious.

I understand that Mrs C didn't know the neighbour, who recently purchased the property next door and was carrying out renovation works to it. Mrs C says the neighbour took down the 'lean to' barns in doing so.

However, there isn't sufficient evidence to prove that the damage being claimed for was caused maliciously as there isn't evidence there was a deliberate or malicious intent to cause (the damage).

I appreciate Mrs C's strength of feeling and the upset and worry dealing with the issue is causing. But I can't say that Lloyd's is responsible for the consequences of the neighbour's actions. I don't find that the policy provides cover for the circumstances Mrs C has described - and the information provided doesn't support a claim under the policy.

I understand Mrs C will be very disappointed with my decision. But I don't think Lloyd's has acted unreasonably in declining the claim. This means I'm not asking it to do any more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 2 August 2023.

Geraldine Newbold
Ombudsman