

The complaint

Mr P complained that Accredited Insurance (Europe) Ltd (“AI”) unfairly declined his claim for malicious damage to his fence under his home insurance policy.

What happened

Mr P made a claim to AI when his neighbour cut down part of the hedge that divided their properties. Mr P said his neighbour acted without his permission and he now has a hole in the boundary of his land which causes him a security risk. He also said the neighbour’s dog can access his garden.

AI appointed a loss adjuster to investigate the claim and the loss adjuster advised the claim should be covered. However, on review AI decided to override the report made by the loss adjuster and it declined the claim. AI said there was no evidence the damage caused to the hedge was done maliciously.

Mr P is unhappy his claim was declined, and he wants the claim to cover the cost of a new fence. In addition, Mr P complained about information sent out of hours by AI and that some information was requested twice.

AI offered £200 compensation in recognition of the distress and inconvenience caused by the initial decision being incorrect from the loss adjuster and for the effort wasted in getting a quote for the fence, as well as asking for the same information twice.

Our investigator decided not to uphold the complaint. She didn’t think there was evidence of malicious damage. She thought the offer of compensation was fair in the circumstances. Mr P disagreed, so the case has been referred to an ombudsman.

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 claim has been declined under the peril for malicious damage. AI said the damage was caused due to *“poor maintenance”*. Having reviewed the policy, I don’t think there are any other aspects of the policy that would cover this claim. The policy does cover *“loss or damage caused by malicious people or vandals”*.

In other words, for the policy to cover the damage, the damage would’ve needed to be done on purpose and with the intent of causing harm.

I don’t think there is evidence of malicious damage. I can see Mr P reported the incident to the Police. However, I haven’t seen any evidence to show the Police agreed with Mr P and acted against Mr P’s neighbour. If Mr P provides further evidence from the Police that challenges this, then I’d see no reason why AI wouldn’t fairly consider this.

I've reviewed text messages that were sent between the parties after the incident. And whilst, I can see the parties were at disagreement, the intent expressed by Mr P's neighbour was to remove the dead or rotten part of the hedge. This doesn't seem unreasonable behaviour to me. There is no evidence to suggest the hedge was in good order before it was cut down.

I appreciate Mr P is unhappy with what his neighbour has done. But I can't see that it was done with any reason to cause Mr P harm. The neighbour simply seemed to be maintaining his own property and that of the boundary. Therefore, I don't uphold this aspect of the complaint.

I think it would've been annoying that the loss adjustor told Mr P the claim would be approved and then the insurance company overruled this. AI has accepted this. AI have also acknowledged it asked for the same information twice. Again, I think this would've been frustrating for Mr P. However, I think the £200 compensation offered by AI is fair and reasonable in the circumstances of this complaint. I don't think sending information outside of business is a problem. It just shows to me AI were keen to resolve the claim promptly. Therefore, I don't uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint. I don't require Accredited Insurance (Europe) Ltd to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 16 April 2024.

Pete Averill
Ombudsman