

The complaint

A Limited business which I'll refer to as U, complains that SiriusPoint International Insurance Corporation ("SiriusPoint") unfairly declined a claim it made on a Commercial Property Insurance policy.

Mr H, a director of U, brings the complaint on its behalf.

What happened

Mr H made a claim to SiriusPoint for damage discovered to a rental property after a tenant was evicted. The damage consisted of holes in, and marks on walls, black mould around windows, dirty skirting boards, damaged blinds, damage to units in the kitchen and damage to a bathroom vanity unit and floor tiles. Mr H said this damage amounted to vandalism and claimed under the malicious damage section of the policy. Mr H said he also wanted to make a claim for loss of rent as a new tenant couldn't be put in the property until the damage had been fixed.

Mr H also made a claim for items he said were stolen from the property by the tenant.

SiriusPoint considered the claim but declined it. It said based on the photos and information it had received it wasn't satisfied the damage was caused maliciously. It said it thought the damage was consistent with neglect, lack of care and poor cleaning. It further said a claim for theft would not be met as the term required there to be forcible or violent entry to or exit from the property. It said as the tenant allegedly stole the items when moving out, the claim for those items did not meet the policy requirements. As there was no insurable events under the policy SiriusPoint explained to Mr H that there was not a valid claim for loss of rent.

Mr H disagreed and complained about the outcome reached but SiriusPoint did not alter its position. So, he brought the complaint to the Financial Ombudsman Service on U's behalf.

An Investigator considered the complaint; she explained to Mr H that she thought SiriusPoint had acted reasonably in respect of the theft of the items and the loss of rent claim. In respect of the damage, she was also satisfied it hadn't been caused maliciously.

The Investigator acknowledged some of the damage to the vanity unit looked as if it could have been caused by water but said it would be for Mr H to prove the damage had been caused by an escape of water. And, in relation to the bathroom floor tiles specifically, the Investigator said she thought SiriusPoint should consider a claim for them under the accidental damage section of the policy.

SiriusPoint did not agree with the Investigator's opinion, it said the claim was made for malicious damage which it had considered. It had reviewed the claim again and was satisfied with the outcome it had reached. It said no evidence had been provided which supported a claim should be considered under the accidental damage section of the policy. It asked for an Ombudsman to review the complaint.

The case has been passed to me to decide.

My provisional findings

I issued my provisional findings on 7 November 2025. I said I didn't intend to uphold the complaint for the following reasons:

"For ease I will address each point of complaint under subheadings below.

Theft of items

The policy term says: "Theft or attempted theft following forcible and violent entry to or exit from the Premises".

As the tenant allegedly stole the items when they moved out of the property and there is no evidence of forcible or violent entry to or exit from the premises I'm satisfied SiriusPoint has declined this claim reasonably.

Mr H has said this term is unreasonable as he doesn't think it is fair to hold landlords accountable for actions carried out by tenants lawfully residing in the property. While I fully appreciate Mr H's frustration with what has happened, insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy document. It is then for a policyholder to decide if they want to accept the terms set out or purchase an alternative policy.

I'm satisfied the term was made clear in the policy documentation and summary that Mr H received so I'm persuaded it was adequately drawn to his and U's attention.

Malicious Damage

The policy terms do provide cover for damage that is caused maliciously. Malicious damage isn't separately defined in the policy and therefore I would look to its normal everyday meaning which I would consider to be damage that is caused through a deliberate intention to cause harm or loss.

Having considered the photos and evidence available to me most of the damage appears to have been caused by general maintenance issues, such as Rawl plugs being put in walls and hooks and hangers being attached to walls in a way that has disturbed plaster. Similarly dirty skirting boards, mould around windows and minor damage to the property's fixtures and fitting as reported by Mr H are more consistent with a lack of care rather than having been caused intentionally.

I acknowledge the Investigator's point that the damage to the base of the vanity unit in the bathroom could have been caused by water. However, no claim has been made for an escape of water so it can't be considered under a separate section in the policy.

The Investigator suggested that the cracked bathroom floor tiles should be considered by SiriusPoint under the accidental damage section of the policy, however I disagree. The claim made to SiriusPoint was for malicious damage and it has, in my opinion fairly considered that claim.

No evidence has been put forward by Mr H to suggest the tiles have been damaged accidentally. I'm not persuaded by the Investigator's reasoning that if water had damaged the vanity unit it is also possible it could have gone below the tiles, causing damage to the flooring and for the tiles to crack.

Having looked at the photos, the crack is not isolated to being just in front of the vanity unit, it extends throughout the bathroom and continues the other side of the toilet, so it doesn't support that reasoning. In any event when making a claim on an insurance policy, it is for the insured – so in this case Mr H on behalf of U – to demonstrate it's suffered a loss covered by the policy. So, it would be Mr H that would need to provide any supporting evidence to SiriusPoint if he wished to make such a claim.

In respect of the damage to the property, I'm satisfied SiriusPoint has acted fairly and reasonably in declining a claim for malicious damage.

Loss of Rent

The policy provides cover for loss of rent if a valid claim for damage has been accepted under the policy. As I have set out above, I am satisfied SiriusPoint have fairly declined the malicious damage claim, so there is no cover for loss of rent under the policy.

My provisional decision

I do not intend to uphold U's complaint against SiriusPoint International Insurance Corporation. I'm satisfied it has fairly and reasonably applied the policy terms when declining the claim".

Responses to my provisional decision

Neither party responded to my provisional decision, despite reminders being sent and the deadline being extended by a further week.

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 reconsidered matters I have reached the same conclusion I set out in my provisional findings, and for the same reasons. As I have not been provided with anything further to consider. I'm satisfied SiriusPoint fairly and reasonably applied the policy terms when declining U's claim.

My final decision

My final decision is that I do not uphold U's complaint against SiriusPoint International Insurance Corporation.

Under the rules of the Financial Ombudsman Service, I'm required to ask U to accept or reject my decision before 31 December 2025.

Alison Gore
Ombudsman