

The complaint

Mrs M is unhappy with the outcome of a claim for furniture damage through a protection policy underwritten by Fortegra Europe Insurance Company Ltd.

What happened

An item of furniture belonging to Mrs M suffered accidental damage. So she contacted Fortegra about her sofa protection policy. Unfortunately repairs weren't possible and an identical replacement was no longer available.

Mrs M is unhappy it took months for Fortegra to say it couldn't replace or repair her damaged chair. She said Fortegra had only offered around £2300 when the whole suite cost over £4000. And she wants the full cost so she can purchase a matching suite. As vouchers would limit her purchase options Mrs M would like a cash settlement so she'll be able to find something suitable for her specific family requirements.

Fortegra said the terms of the policy didn't require it to make any offer in respect of undamaged items, whether they matched or not. Unfortunately the manufacturer couldn't supply the parts needed to repair the damage. And Mrs M was only insured for the actual damage reported. But in addition to offering 100% of the cost of the damaged item Fortegra had offered 50% of the cost of the matching items. So the insurer felt it'd dealt with Mrs M's claim fairly.

Mrs M wasn't satisfied with Fortegra's response. So she contracted our service and our investigator looked into the matter. After reviewing the options available to Fortegra our investigator wasn't able to uphold Mrs M's complaint. He felt the delays in considering the claim weren't unusual. And although he appreciated that Mrs M wanted the whole value of her sofas covering so she wouldn't be left with non-matching furniture, the furniture protection policy didn't cover undamaged items. So he felt the 50% offered by Fortegra as a gesture of goodwill towards replacing the undamaged chairs was fair and in line with what he would've recommended.

Our investigator could see Mrs M wanted the insurer to settle her claim in cash. But he said it was at the insurer's discretion how the claim for damage and the gesture of goodwill were paid. So he wouldn't be asking Fortegra to do anything more.

Mrs M didn't agree. It'd been difficult to find the sofas that matched her family requirements. And vouchers would limit her purchase opportunities. Even if she was able to replace the furniture using vouchers she would still have to find nearly half of the cost of a new suite.

So she's asked for an ombudsman's final 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.

I'm sorry to hear about the difficulties Mrs M has experienced while making a claim for damage to her sofa. I understand the correct furniture took some time and effort to select to ensure it was suitable for her husband's medical condition. So I appreciate the effort Mrs M has gone to in contacting our service and explaining the circumstances of her claim. But based upon everything I've seen I think Fortegra has made a fair offer. I'll explain why.

I've looked at the terms and conditions of Mrs M's protection plan. The policy is intended to provide cover for manufacturing faults or sudden and unintentional staining or damage to the furniture. And Fortegra's report accepts that this is what has happened. One of the chairs in Mrs M's furniture suite suffered accidental damage, although the other items in the suite remain undamaged.

The policy states that if a repair can't be achieved, the insurer may replace the damaged part. And if that's not possible it may prove a replacement product or settle the claim by payment to the policyholder.

I've looked at the efforts made by Fortegra to obtain a repair or replacement part. After investigating whether a repair was possible Fortegra determined that it wasn't able to obtain a like-for-like replacement as it was no longer available from the manufacturer. I don't think the delay in determining that the whole chair would need replacing was unreasonable in the circumstances. And I haven't seen any evidence that Mrs M was caused any inconvenience that would necessitate any compensation due to the delay.

I can see the policy terms and conditions don't provide cover for matching items. And as there is no damage to the remaining items in the suite I wouldn't expect Fortegra to provide settlement for an insured item that hasn't been damaged. That wouldn't be fair to the insurer.

I realise it will involve some difficulty for Mrs M to find a suitable replacement for the damaged chair. And even if she is able to replace it with the same model, it won't be possible to do so in a fabric that matches the other items. Our service recognises how the consumer might feel if they were left without a fully matching set. And in such cases we look for a fair and pragmatic way forwards.

As a gesture of goodwill Fortegra has offered 50% of the value of the undamaged sofas to help Mrs M purchase a new matching suite – should she decide too. I think that's a reasonable offer and it's in line with the sort of outcome our service would recommend in such circumstances.

The settlement offer for the damaged chair is at Fortegra's discretion in line with the policy terms. And it's not unusual for an insurer to issue a credit note or voucher so the policyholder can choose a replacement. Our service thinks that's a reasonable way for an insurer to replace a damaged item. And from what I've seen Mrs M should be able to replace the damaged chair with something very similar that meets her family requirements.

So I'm afraid I can't ask it to make a cash payment rather than vouchers. And as the additional 50% offer towards the undamaged items is being made as a gesture of goodwill then Fortegra is also able to offer vouchers at its discretion. Which it has done.

I have carefully considered the difficulties Mrs M has been through obtaining suitable furnishings to meet her family needs. And I know Mrs M will be disappointed with this outcome. But based on everything I've seen I think Fortegra has acted fairly and I won't be asking it to do anything more.

My final decision

For the reasons I've explained above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 8 May 2024.

Andrew Mason
Ombudsman