

## **The complaint**

Miss R complains Fortegra Europe Insurance (“Fortegra”) has unfairly declined her motor warranty claim.

All references to Fortegra also include its appointed agents.

## **What happened**

The details of the complaint are well known to both parties, so I won’t repeat them in detail here. The following is a summary of the events that led to this complaint.

- Miss R’s vehicle was first registered around January 2019.
- In February 2024 the vehicle suffered a failure, due to the cambelt (or timing belt) snapping. Miss R made a claim to Fortegra.
- Fortegra declined the claim. It said the terms and conditions set out requirements for the vehicle to be serviced, including the timing belt.
- For Miss R’s vehicle it said the recommended timing belt service interval was 145,000 miles, or five years – whatever had come sooner. As the vehicle had been registered in January 2019 it said the vehicle should have been serviced by January 2024 – and the failure was due an issue that should be checked during service, this condition had not been met.
- Miss R has provided Fortegra with information to show she had the vehicle serviced in October 2023. She has also provided communication from a parts advisor at the manufacturer in which it says the servicing of the cambelt should be carried out every 140,000 miles, and there was no longer a five-year requirement.
- Fortegra said during the vehicle’s last service, as the cambelt had not been checked, it was still part of the items requiring servicing - as set out in the terms and conditions. It said had this been done, the deterioration of the cambelt could have been spotted and rectified.
- Miss R was unhappy with Fortegra’s decision to decline the claim and its subsequent response to her complaint. Miss R brought her complaint to our service.

Our investigator recommended the complaint be upheld. He said Miss R had provided evidence from the manufacturer to show its specifications for the cambelt to be serviced was every 140,000 miles – and its previous alternative/additional requirement of every five years had been removed. He said because of this and considering the vehicle had only covered 38,000 miles at the time it was inspected, it wasn’t reasonable any garage, manufacturer or otherwise, would check the cambelt.

Because of this he said Fortegra’s reason for declining the claim was unfair.

He said Miss R had provided this information to Fortegra and it should’ve been in a position to reasonably accept and proceed with the claim in April 2024. He said any costs Miss R incurred on or after this as a result of declining the claim, and initial diagnostic costs, should be met by Fortegra.

In summary, to put things right, he recommended Fortegra:

- Accept and deal with the claim.
- Reimburse Miss R for the costs she incurred getting diagnostic tests carried out.
- Pay Miss R's courtesy car and storage costs from April 2024 onwards.
- Pay Miss R £150 compensation for the distress and inconvenience caused.

Fortegra didn't agree with our investigator's view of the complaint. It reiterated its point that the terms of the policy required the cambelt to have been checked. It said had this been done, the deterioration of the cambelt could have been spotted and rectified.

The complaint has now passed to me.

### **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, I uphold the complaint for these reasons:

- The policy sets out the vehicle must be serviced with the manufacturer's recommended guidelines. It also lists what should be included during vehicle servicing– one of these being to check the cambelt (timing belt) and renewing it if necessary.
- Fortegra have also highlighted it sets out timing belts should be checked and changed in line with the manufacturer's recommendations.
- The service invoice Miss R provided from October 2023 shows the vehicle's mileage was around 38,900 miles.
- Miss R has provided evidence that says the cambelt should be serviced every 140,000 miles and there is no longer a requirement to service it every five years. I can see it is addressed from a parts advisor at the manufacturer and I can see the note is dated in 2023 – around seven months before the issues arose with the cambelt and prior to the vehicle's last service. Further research carried out online shows this is common among vehicles from this manufacturer. So, I find this evidence persuasive.
- While I acknowledge the wording of the policy says the cambelt should be reviewed as part of a service at least every five years, and the service invoice from October 2023 doesn't show this was done, I'm mindful the policy also sets out (more than once) that this service should be done within the manufacturer's recommended guidelines. In this particular case, the manufacturer's guidelines did not require the cambelt to be checked every five years. As such, I don't think allowing the policy term to operate in this way produces an outcome that is fair and reasonable in all of the circumstances. So, I don't think Fortegra can rely on this to decline Miss R's claim.
- Fortegra was in possession of the evidence from the manufacturer in March 2024. As set out by our Investigator, I think it was reasonable it should've been able to accept the claim in April 2024, around two weeks later.
- If Fortegra had accepted the claim then, Miss R wouldn't have incurred the cost of hiring a courtesy car, but she needed to do so as her own vehicle hadn't been repaired. Miss R also continued to incur storage costs as the vehicle was still at the garage. As such, I think it reasonable Fortegra meet any costs incurred due to this on or after April 2024 - when it should have reasonably accepted claim.

- Fortegra should also meet any costs that should have been covered under the claim, including diagnostic fees.
- I acknowledge Miss R's comments she paid for her car insurance and for this warranty cover, whilst her vehicle has been at the garage.
- Car insurance is a legal requirement in the UK and so Miss R would have needed insurance regardless of the claim outcome.
- It is also possible, if the claim had been accepted and the car repaired, Miss R's vehicle could have suffered another fault that this warranty would have responded to and therefore provided another benefit. So, I don't think Fortegra needs to contribute to either of these costs.
- I am however satisfied Miss R has been caused distress and inconvenience due to Fortegra's actions. And I think Fortegra should pay Miss R £150 compensation as this fairly recognises the impact its actions have caused.

### **Putting things right**

To put things right I direct Fortegra to:

- Accept and deal with the claim.
- Reimburse Miss R for the costs she incurred getting diagnostic tests carried out.
- Pay Miss R's courtesy car and storage costs from April 2024 onwards.
- Should it require it, Fortegra is entitled to ask Miss R for sufficient proof of the above costs – such as invoices.
- Any amount paid to Miss R should also include 8% simple interest. Fortegra should calculate this from the date of the invoice to the date it makes payment to Miss R
- Pay Miss R £150 compensation for the distress and inconvenience caused.

### **My final decision**

My final decision is that I uphold Miss R's complaint.

To put things right I direct Fortegra Europe Insurance Company Ltd to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 18 October 2024.

Michael Baronti  
**Ombudsman**