

The complaint

Ms S and Mr S complain about Fortegra Europe Insurance Company Ltd (Fortegra). Their complaint is about being charged an excess by a hire company (E) for alleged damage to a hire car they had while on holiday in Europe. They took out a car hire excess insurance policy with Fortegra to cover the excess they might be charged.

References to Fortegra in this decision include their agents.

Ms S and Mr S's complaint to this Service was made against Fortegra as the insurer of the policy covering the excess on the hire car. It doesn't cover the actions of E that supplied the hire car. Nor does it cover the actions of the bank (B) with which Mrs S and Mr S held a bank account to which E made a charge in respect of the hire car. Ms S and Mr S made a separate complaint to this Service about B.

What happened

In Summer 2024 Ms S and Mr S took out an insurance policy with Fortegra to cover any excess they might be charged in respect of a hire car they rented from a hire company (E) for a trip to Europe. They paid a one-off premium of £20.97 for the policy for the period of their trip. The policy covered the excess payable for any damage to, or theft of, the hire car while in their possession.

E charged Ms S and Mr S an excess in respect of damage Ms S and Mr S said was already on the hire car before they received it. E charged a total of £1,065.44 (currency conversion from €1,210.02) to Ms S and Mr S's bank account with B. So, Ms S and Mr S made a claim under their policy. Fortegra asked them for evidence and information to support the claim, including repair costs incurred by E and evidence of the charge by E. But E wouldn't provide any evidence or information to Ms S and Mr S.

Ms S and Mr S were unhappy at what they saw as Fortegra trying to avoid accepting their claim, so they complained.

In their final response, Fortegra said the policy required a claim to be supported by various documentation and information, referring to the policy terms. While Ms S and Mr S provided some documentation, there were other documents they hadn't provided, namely a bank statement showing the charge made by E and a copy of the repair invoice or internal charge for repairs to the hire car. Fortegra said they assisted Ms S and Mr S to obtain further information from E about the charge. The charge included damage excess of €255 and rental fees, extra mileage fees, one way fees and refuelling fees totalling €955.02. Fortegra said the fees other than the excess, were a matter between Ms S and Mr S and E. Fortegra also noted, following discussions, that E would be withdrawing the excess charge and refunding the sum once a dispute with B had been resolved. As E said they would be refunding the excess charge, Fortegra said they wouldn't be accepting a claim for the excess under the policy and closed the claim.

Ms S and Mr S then complained to this Service. They thought they had been charged unfairly by E and Fortegra were trying to avoid paying out on their claim. They had been

wrongly charged nearly £1,000. They wanted Fortegra to settle their claim and cover the cost they'd been charged.

Our investigator didn't uphold the complaint, concluding Fortegra didn't need to take any action, hadn't done anything wrong. The policy terms provided cover for reimbursement in the event of certain covered events resulting in Ms S and Mr S having to pay the applicable excess detailed in the rental agreement covering the hire car (and cover for certain other events). Looking at the fees charged by E, the only element covered by the policy was the €255 excess. The investigator thought it reasonable for E to request evidence and information to support the claim from Ms S and Mr S. E had also agreed to refund the excess charge, though this hadn't happened due to the ongoing banking dispute with B. The investigator concluded Fortegra hadn't done anything wrong and tried to assist resolving the matter with E.

Ms S and Mr S challenged the investigator's view, saying they still hadn't received the refund of the excess from E. They also said E said there had been damage to the hire car and had agreed to drop their claim on the proviso Ms S and Mr S stopped the bank claim. But the banking dispute with B had been resolved.

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.

My role here is to decide whether Fortegra have acted fairly towards Ms S and Mr S. As I've set out earlier, it's important to note this complaint is about the actions of Fortegra as the insurer of the policy taken out by Ms S and Mr S. So, my role isn't to consider the actions of E in levying the charges, or the actions of B, only as context for what happened in this case.

The key issue in Ms S and Mr S's complaint is Fortegra refusing to accept their claim for the excess charge of €255 levied by E. They say Fortegra should settle the claim. Fortegra say E have agreed to refund the excess, so there isn't a valid claim for them to settle. And that they acted reasonably when they asked for documentation to support the claim.

I've first looked at what the policy covers. The relevant terms (*Section 1 – Introduction*) state:

"This insurance is designed to reimburse you in the event of certain covered incidents resulting in you having to pay the applicable excess detailed in the rental agreement you signed when you hired the rental vehicle from a registered vehicle rental company."

The same section goes on to list other covers for specific events.

A separate section of the policy (*Section 3 What is covered, Excess reimbursement*) also states:

"We will pay up to the amount stated on the Certificate of Insurance for any excess fee which you are liable for under your rental company's collision damage waiver cover for damage caused to or the theft of the rented vehicle by:

- 1. Weather related claims.*
- 2. Damage caused by fire or explosion.*
- 3. Accidental and malicious damage.*
- 4. Collision with animals.*
- 5. Theft or attempted theft."*

Looking at the breakdown of the charges made by E (the €955.02), in an email exchange provided by Ms S and Mr , E say the charges are for *“the rental fees, extra mileage fees (640 kilometres), one way fees, refuel fees (3 litres missing)”*. None of them would fall under the list of covers set out in the policy terms above. So, the only element of charge that potentially would be covered under the policy would be the €255 excess.

The same email exchange includes the following statement from E:

“About the damage excess, we’ll process to the refund of €255, as soon as the bank dispute is closed.”

While Ms S and Mr S say they haven’t received the refund and the banking dispute with B has been settled, the exchanges indicate E agreed to refund the excess. In those circumstances, I can’t conclude Fortegra have acted unfairly or unreasonably in declining to accept Ms S and Mr S’s claim. If E, having clearly indicated they will refund the excess, haven’t done so then that is a matter between them and Ms S and Mr S.

On the issue of Fortegra requesting various documents and information, the policy terms provide for this. Under *Section 6 – Making a Claim* it states:

“The Claim Administrator may request the following supporting documents:

- 4. Proof of payment of the costs being claimed in the form of a credit/debit card statement showing the payment made and the card holder’s name.*
- 5. An invoice from the Rental Company which confirms the cost of the repair carried out to the Rented Vehicle and any associated administration fees.*
- 6. Repairs invoice or damage matrix supplied by the Rental Company which details in full the breakdown of the parts and labour charges.”*

I don’t think these terms are unreasonable and it’s standard practice for insurers to ask for evidence and information to support claims made by a policyholder. I can also see email evidence of Fortegra contacting E to ask for photographic evidence of the alleged damage to the hire car and invoice for the repairs undertaken.

So, I’ve concluded Fortegra acted in line with the policy terms and conditions in asking for the documentation requested.

Taking all these points into account, I think Fortegra have acted fairly and reasonably, so I won’t be asking them to do anything further.

My final decision

For the reasons set out above, it’s my final decision not to uphold Ms S and Mr S’s complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms S and Mr S to accept or reject my decision before 3 April 2025.

Paul King
Ombudsman