

The complaint

Mr G complains that Fortegra Europe Insurance Company Ltd (“Fortegra”) mishandled his claim on his car hire excess insurance policy.

What happened

Mr G went online and took out an annual multi-trip car hire excess policy in 2021.

Mr G and Fortegra renewed the policy in 2022 and 2023.

Mr G and Fortegra renewed the policy for the year from early December 2024.

The policy was branded with the name of another company, but Fortegra was the insurer that was responsible for dealing with any claim. Much of the complaint is about acts, omissions and communications of the other company and claims-handlers on behalf of Fortegra. Insofar as I hold it responsible for them, I may refer to them as acts, omissions and communications of Fortegra.

Mr G hired a car from 21 November to 30 December 2024, a period of about 40 days.

The hirer held Mr G responsible for minor damage to the rear of the hire car.

Mr G made a claim to Fortegra for an excess of about £160.00. Fortegra declined the claim, saying that cover was restricted to rental periods up to 31 days.

By 23 January 2025, Mr G complained to Fortegra that it hadn't told him of that restriction. By a final response dated 24 February 2025, Fortegra turned down that complaint.

Mr G, through his wife, brought the complaint to us in early March 2025.

Our investigator didn't recommend that the complaint should be upheld. She thought that Fortegra took sufficient action to make Mr G aware of the 31-day restriction.

Mr G disagreed with the investigator's opinion. He asked for an ombudsman to review the complaint. His wife says, in summary, that:

- The oversight in adding the extended cover was not deliberate. The Insurance Act 2015 specifically provides for such situations and provides for remedies based on what the insurer would have done had it known the true facts, ranging from adjusting the premium to reducing the amount paid on a claim.
- If Mr G had clicked on the correct button, the insurer would have agreed the extension and later paid the claim. Therefore, a proportional remedy is appropriate i.e. deducting the premium they would have charged from the claim amount.

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 accept that the certificate of insurance didn't mention the 31-day restriction.

However, before each renewal, Fortegra sent Mr G a renewal invitation. That included links to the policy wording and to the Insurance Product Information Document ("IPID"). The IPID included the following summary:

'What is this type of insurance?

This insurance is designed to meet the needs of an individual renting a vehicle from a vehicle rental company and is designed to reimburse the individual for their liability to the rental company under the terms and conditions of the rental agreement. This policy is for annual cover and insures you multiple times within the period of insurance providing no single car hire lasts longer than 31 days (unless you have purchased the Extended Rental Cover optional extra)".

The policy didn't renew automatically. Rather Mr G used a link to renew the policy online. The "Renew my Policy" screen included the following:

'Please Note

...

- Standard cover under our annual policy is up to 31 days in length per rental period unless Extended Rental Cover is purchased, which will increase rental period cover up to 62 days.'*

The "Renew my Policy" screen also included a table of "Available Extras" including the following:

"Extended Rental Extends any single rental from 31 to 62 days Not included"

Mr G didn't buy the Extended Rental cover or any other optional extras.

From the renewal invitations and the IPIDs in 2023 and 2024, I'm satisfied that Fortegra did enough to clearly and fairly draw Mr G's attention to the 31-day restriction.

I'm familiar with Consumer Insurance (Disclosure and Representation) Act 2012 and Insurance Act 2015. There are provisions that where a consumer has made a careless misrepresentation that would otherwise have led to a higher premium, the insurer has the remedy of a proportional settlement. A proportional settlement reduces the claim settlement by the same proportion that the paid premium bore to the correct premium.

However, there's no suggestion that Mr G made a misrepresentation. He just hadn't bought cover for a hire period over 31 days.

In any event, I don't find it fair for Fortegra to pay his claim subject to the deduction of the premium for the optional extra of "Extended Rental" cover. That would be unfair because it would apply the extra premium only after the risk of a claim had become a certainty.

Fortegra has accepted that it should've turned the claim down immediately and it was responsible for some delay. I find it likely that this added to Mr G's disappointment at the outcome.

However I don't consider that this additional disappointment was at a level that makes it fair and reasonable to direct Fortegra to pay monetary compensation for distress and inconvenience.

I don't find it fair and reasonable to direct Fortegra to do any more in response to this complaint.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint. I don't direct Fortegra Europe Insurance Company Ltd to do any more in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 8 October 2025.

Christopher Gilbert

Ombudsman