DRN-5783746

The complaint

Ms R complains about how Fortegra Europe Insurance Company Ltd dealt with and settled a claim she made for damage to her sofa.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision dated 21 July 2025 – a copy of which is set out here. In my provisional decision I explained why I intended to uphold Ms R's complaint in part. I said:

"What happened

In late 2022 to early 2023, Ms R purchased three fabric recliner sofas and a storage footstool from a company, which I'll refer to here as "D". At the time of Ms R's purchase, she also bought a furniture protection plan, which is underwritten by Fortegra. This policy of insurance covered Ms R's sofas against accidental damage and staining.

On 20 June 20224, Ms R notified Fortegra via an online claim that she wanted to make a claim under her policy of insurance. In her online claim, Ms R stated that, as a family member had been applying false nails while sat on the three-seater sofa, nail adhesive had spilt onto the right-hand facing seat cushion. She explained that the adhesive had hardened and caused irreparable damage to the sofa. Ms R included photographs of the damage within her online claim.

On 12 July 2024, a technician appointed by Fortegra attended Ms R's home to inspect the sofa. They confirmed the presence of irreparable damage as Ms R had reported and recommended that a new seat cushion cover be ordered to replace the damaged cushion cover.

Fortegra approved the claim and explained that, on 20 August 2024, it had contacted D to order a new right hand facing seat cushion to replace the damaged cushion. Fortegra explained that it was awaiting information from D regarding a delivery timescale and would contact Ms R further to update her once this information was known. Fortegra explained that the replacement cushion cover would be dispatched directly to an upholsterer in Ms R's locality who'd contact her directly to arrange a fitting appointment.

Ms R stated there were delays in the replacement cushion cover being provided, which led to a delay in the technician attending her home to fit the replacement cushion cover. And it wasn't until 5 December 2024 when a technician attended Ms R's home to fit the replacement cushion cover. During this appointment the technician was concerned that the seat cushion cover was a poor match as the fabric was much darker than the rest of the sofa. They took photographs and arranged for a swatch to be sent to field services.

On 6 January 2025, Fortegra wrote to Ms R by way of an update on the progress of her claim. It explained that it had contacted D to chase the availability and cost of the required parts to undertake repairs to the damaged sofa. And it stated it was awaiting that information.

On 25 January 2025, Fortegra wrote to Ms R informing her that it was unable to cost effectively repair her damaged sofa. It stated it had instructed D to order a like for like replacement. Fortegra invited Ms R to contact D directly to confirm the order and arrange delivery.

Ms R subsequently contacted Fortegra to explain that D had informed her that the sofa had been discontinued. So, she said her sofa couldn't be replaced on a like for like basis. Ms R asked Fortegra to cash settle her claim and pay for the entire furniture set she'd purchased from D. But Fortegra only offered to cash settle the value of the damaged sofa.

Ms R complained to Fortegra about the handling and resolution of her claim. There were two separate complaints made by Ms R about delay and Fortegra issued its final response to each complaint on 28 November 2024 and 3 February 2025 respectively.

In each complaint response, Fortegra accepted there'd been delays in the progression of Ms R's claim. It explained that these delays had been caused by D providing a replacement seat cushion that was a poor match and being slow to respond to requests for information. Fortegra apologised for the distress and inconvenience that had been caused to Ms R as a result of the delay she'd experienced. And, in each final response letter, it offered to pay her £100 in compensation for this delay. However, it maintained its decision to offer a cash settlement for the damaged sofa only was fair and reasonable.

Ms R was unhappy with how Fortegra had resolved her complaint and referred it to our service. Our investigator assessed the evidence provided and empathised with Ms R. But they didn't recommend upholding this complaint. They thought Fortegra's offer to cash settle the value of the damaged sofa was fair and reasonable. And they thought £100 in compensation took into account the impact of delay caused in the management of Ms R's claim. So, they didn't think Fortegra needed to take any further action to resolve this complaint.

Ms R rejected our investigator's view of her complaint and requested an ombudsman decision. So, I've been asked the fairest way to decide this complaint.

What I've provisionally 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 Ms R experienced here. I know she feels very strongly about this matter and I appreciate the reasons she brought her complaint to our service. However, while I sympathise with Ms R, the issue that I must determine is whether Fortegra made a mistake, or treated her unfairly, such that it needs to now put things right.

This service is an informal dispute resolution service. When considering what's fair and reasonable, I'm required to take into account a number of matters, which include relevant law and regulations, regulators' rules, guidance and standards, codes of practice, the terms and conditions of any insurance policy and, where appropriate, what I consider to have been good industry practice at the relevant time. I'm not limited to the position a court might reach.

I've read and considered all the information provided by Ms R and Fortegra, but I'll concentrate my decision on what I think is relevant to decide the complaint. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is the right outcome.

Having considered all the evidence, it's my view that, while the claim outcome was fair and in line with the policy terms, the compensation offered by Fortegra in relation to delay was unfair. Because I've reached a different conclusion to our investigator on how I think this complaint should be resolved I'm drafting a provisional decision. This will enable Ms R and Fortegra to respond with any submissions they wish me to consider before I issue a final decision on this complaint.

It's not in dispute that there was damage to one of Ms R's sofas due to adhesive being spilt on the sofa cushion. I'm satisfied Fortegra accepted this constituted a valid accidental damage claim without delay. It looked to settle that claim in line with the policy terms.

Ms R's furniture protection plan, in common with many insurance policies of this type, allows Fortegra to settle this claim in a number of ways. I say this because the terms and conditions of the policy Ms R holds allow Fortegra to either replace or repair an item or make a monetary payment instead.

The policy outlines in clear, intelligible terms how accidental damage claims will be settled. The terms explain that:

"Valid claims of damage…will be settled by cleaning or repairing the damaged product. If it cannot be repaired, we will replace the damaged part/item or offer a cash settlement up to the cost of the repair or replacement".

I'm satisfied that the policy terms make clear that, in the first instance, Fortegra will look to settle a valid claim by cleaning or repairing the damaged product. Here, I'm persuaded Fortegra promptly acknowledged that the spilt adhesive couldn't be removed by cleaning the affected cushion. And it was fair and reasonable, in such circumstances, for it to look to repair the damage by ordering a replacement cushion cover from D. I'm persuaded this approach is in line with the policy terms and conditions.

The records I've seen indicate that the replacement cushion was ordered on 20 August 2024. It's unclear why this wasn't ordered sooner given that Fortegra recognised early in the claim that the spilt adhesive couldn't be removed from the cushion by cleaning. I can see that the order request asked D to provide an estimated delivery date within 7 working days. However, that didn't happen, and I'm not persuaded, from the records available, that Fortegra proactively chased that information when the requested deadline had passed.

I'm satisfied that when the replacement cushion was available it was provided to the technician without delay. This led to a prompt appointment being arranged for the technician to attend Ms R's property to fit the replacement cushion cover.

I'm satisfied Fortegra acted reasonably in accepting the technician's opinion that the fabric of the replacement cushion cover was a poor colour match to the remainder of the sofa. It appropriately then looked to replace the sofa on a like for like basis. I'm persuaded this is in line with the policy terms. But from the notes, it appears there was a delay in this decision and the opinion of the technician being communicated to Ms R. Fortegra said this was caused by technical issues, which resulted in a delay in it seeing the technician's opinion. But, in such circumstances, I'd have expected to see evidence of Fortegra proactively chasing the technician's report in the records, which isn't present.

I've seen evidence confirming that Ms R's sofa was discontinued in December 2024. But Fortegra was unaware of this until 5 February 2025. So, when a replacement was ordered at the end of January 2025, the sofa was already unavailable for several weeks. It would have been reasonable for Fortegra to have been aware that a like for like replacement was no *longer possible at the time the order was placed. I’m satisfied that, in ordering a replacement sofa that was no longer available, this caused additional delay in the settlement of Ms R’s claim. Overall, I’m persuaded the decision to cash settle the claim should have been taken sooner, which would have minimised delay and the risk of the sofa becoming unavailable.*

When Fortegra was subsequently advised that a like for like replacement was no longer available, I’m satisfied it acted fairly by looking to cash settle the damaged sofa, which is in line with the policy terms.

Fortegra offered Ms R a cash settlement of £1,899 and I’ve carefully considered whether this is fair and reasonable. Ms R has provided our service with a copy of an invoice, which itemises the cost of each sofa purchased from D. It’s clear from this invoice that the damaged sofa cost £1,899 when it was purchased. So, I’m satisfied the cash settlement offer reflects the price of the damaged sofa and is therefore fair and reasonable.

Ms R wants our service to direct Fortegra to cash settle for all items included on her invoice from D. But there’s no clause within Ms R’s policy that provides cover for matching sets of furniture. On this issue, the policy makes clear that any cash settlement will only be based on the cost of repairing the damaged item. So, here I’m satisfied that Fortegra’s liability is limited to only replacing or repairing the damage furniture item. It follows that it hasn’t acted unfairly in declining to cash settle the entire furniture set Ms R purchased from D.

I’ve already recognised that there were delays in D providing the replacement cushion cover and then providing a poor fabric match, which was rejected by both Ms R and the technician that attended her home to fit the cushion cover. There was also delay in Fortegra becoming aware that the damaged sofa had been discontinued by D. I have sympathy that these errors impacted on how Fortegra was able to progress Ms R’s claim. But D was an agent of Fortegra for the purposes of this claim. So, it was responsible for the actions and delays caused by D.

Having carefully considered the claim records Fortegra has shared with our service, there’s evidence that, at times, it chased D for updates and escalated the concerns of the technician that the replacement cushion cover was a poor match. But given the poor communication from D I think Fortegra could have been more proactive in its chasing and progression of this claim. This would have, likely, led to the claim resolving sooner and Ms R’s expectations on the progress of her claim being better managed.

I don’t think it was reasonable for Ms R to have had to wait as long as she did for a resolution to her claim. And it shouldn’t have taken until the end of January 2025 to order a replacement sofa. This was over seven months after Ms R reported her claim. I’m satisfied it should have been clear earlier that a replacement cushion cover was unlikely to resolve this claim. As I’ve indicated, had that decision been made sooner, Fortegra could have looked to replace the damaged sofa earlier and this would, likely, have been prior to the sofa being discontinued.

I’m pleased to see that Fortegra has accepted responsibility for some delay in the handling of this claim. It upheld this part of Ms R’s complaint, apologised and offered to pay compensation in that regard. I note there were two separate complaints made by Ms R to Fortegra in relation to delay. The first complaint dealt with delays she experienced from 20 August until 1 November 2024 and the second complaint dealt with additional delays experienced from 28 November 2024 until the conclusion of the claim. Each of Fortegra’s final response letters offered Ms R £100 in compensation to recognise the delay caused. So, I’ve interpreted the total compensation offered for delay as £200.

It's clear that Ms R doesn’t feel this sum appropriately acknowledges the trouble and upset *she suffered. So, I've thought about whether the compensation offered was fair and reasonable in the overall circumstances of what happened.*

We don't punish businesses by awarding damages or compensation as this isn't our role. When deciding what potential compensation to award our service must take two things into account: financial loss as a result of any business error and non-financial loss, including inconvenience and upset.

Ms R hasn't shared any evidence to show that she incurred a financial loss as a result of what happened. So, I can't make a compensation award here that covers financial loss.

When considering awards for non-financial loss there isn't a set formula that we use to calculate awards for particular errors. It's my role to consider what impact the business' actions have had on the consumer and to decide, within guidelines set by our service, whether compensation would be appropriate in the circumstances.

In thinking about the appropriate level of compensation here I've taken all the shortcomings by Fortegra into account and the delay caused in the progression of Ms R's claim. It's clear that Ms R was caused trouble and upset because of poor communication, the mismanagement of her expectations and delay. And by the time Fortegra decided to replace Ms R's sofa, this wasn't possible as the sofa had been discontinued. I've no doubt Ms R would've been inconvenienced and frustrated by what happened and that this would have exceeded the usual trouble and upset one can reasonably expect to suffer with any claim.

Having thought about all of that, my provisional view is that £350 is a reasonable amount that fairly recognises the impact this all had on Ms R. It's consistent with our approach in similar scenarios. I can appreciate that Ms R will have spent time in raising her complaint with Fortegra and in bringing her complaint to our service. But I'm satisfied that £350 in compensation fairly recognises that too. So, my provisional decision is that Fortegra should pay this sum to Ms R to resolve this claim less any compensation it may have already paid.

In conclusion, I'm minded to uphold this complaint in relation to the compensation offered by Fortegra in relation to the delay Ms R experienced in the progression of her claim. However, I'm not intending to uphold Ms R's concerns about how her claim was settled as I'm satisfied the cash settlement offer made by Fortegra was fair and reasonable."

In my provisional decision I invited both parties to respond with any additional information they wanted me to consider before I made my final decision, which is our service's last word on the matter.

Ms R responded explaining that she was unhappy with my provisional decision. She disagreed with my opinion that Fortegra acted in line with the policy terms by agreeing to cash settle the damaged sofa. She thought that was unfair and stated that, although she accepted she'll be paid for her damaged sofa, she's unable to replace the new sofa with one that matches the undamaged sofas within the set she purchased from D.

Ms R emphasised that, because the sofa was discontinued by D during the claim, she'd been unfairly prejudiced by delay in the progression of her claim. She asserted that, if her claim had been resolved sooner, she'd have been able to replace the damaged sofa with a new one from the same range as her existing sofas.

Ms R also said she hadn't felt listened to by Fortegra during the claim process – particularly when she'd informed it D had told her that her sofa had been discontinued. However, she didn't offer an opinion on whether she thought the compensation I'd recommended that Fortegra pay to resolve this complaint was fair and reasonable.

Turning to Fortegra's response to my provisional decision, it explained that it accepted my view and was prepared to increase the compensation payable to Ms R to £350 in line with my decision. It confirmed that £100 had already been paid to Ms R so a further payment of £250 would be required to resolve this complaint in line with my provisional 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 can appreciate the reasons Ms R might want me to direct that Fortegra cash settle all her sofas – particularly as she's unable to replace the damaged sofa with one that matches the rest of her furniture set because it was discontinued by D. However, D's decision to discontinue the sofa range isn't something Fortegra had any control over, and it isn't its fault.

As I set out in my provisional decision, there's no clause within Ms R's policy that provides cover for matching sets of furniture. Instead, the policy makes clear that any cash settlement will only be based on the cost of repairing the damaged item. And this means I'm satisfied that Fortegra's liability is limited to only replacing or repairing the damage furniture item. I recognise that isn't what Ms R necessarily wants here. But in offering to only cash settle the damage item of furniture, Fortegra has adhered to the policy terms. It hasn't acted unfairly or unreasonable in declining to cash settle the entire furniture set Ms R purchased from D.

Ms R is unhappy that delay in the settlement of her claim prejudiced her ability to replace the sofa with a like for like new one from D because it was discontinued. As I mentioned in my provisional decision, Ms R's sofa was discontinued in December 2024. But Fortegra was unaware of this until 5 February 2025. So, when a replacement was ordered at the end of January 2025, the sofa was already unavailable for several weeks.

In my provisional decision I explained the ways in which I thought Fortegra had caused delay in the progression of Ms R's claim. Fortegra has accepted what I said about that. In the overall circumstances it's reasonable to surmise that, had those delays not happened, the claim could have been settled prior to the sofa being discontinued. However, this was all taken into account when I explained how I thought Fortegra ought to resolve this complaint in its payment of compensation.

It's unclear what Ms R's view of the compensation I recommended Fortegra pay to resolve this complaint. She hasn't commented either way.

When I considered what an appropriate award of compensation was in the circumstances of this complaint, I recognised the trouble and upset Ms R was caused as a result of poor communication, the mismanagement of her expectations and delay in the progression of her claim. That reflects Ms R's feeling that she didn't feel listened to. And I explicitly referred to the fact that, by the time Fortegra decided to replace Ms R's sofa, this was no longer possible as a result of the sofa being discontinued.

I remain persuaded that £350 is a reasonable amount that fairly recognises the impact of the trouble and upset Ms R experienced after notifying Fortegra of her claim. As I mentioned in my provisional complaint, this amount is consistent with our approach in similar scenarios. So, I'm not going to increase the compensation I recommended Fortegra pay in my provisional decision.

I realise Ms R will be disappointed with this decision. But she hasn't presented any new arguments or evidence that persuade me that I should depart from my provisional decision.

Putting things right

For the reasons stated above, Fortegra should pay Ms R £350 in compensation less any compensation already paid to resolve this complaint. Other than that, Fortegra need take no further action here.

My final decision

My final decision is that I uphold this complaint in part. Fortegra Europe Insurance Company Ltd should pay Ms R £350 in compensation less any compensation already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 26 September 2025.

Julie Mitchell
Ombudsman