DRN-5784762

The complaint

Miss P complains Fortegra Europe Insurance Company Ltd ("Fortegra") has unfairly declined her claim for a replacement car under her motor warranty policy whilst hers was being repaired. She says being without a car has caused her financial hardship and distress.

All references to Fortegra include its agents.

What happened

Miss P bought a used car and at the same time, she took out a motor warranty policy with Fortegra to cover the failure of specified car components. Around the beginning of 2025, Miss P says her car started overheating when she drove on the motorway so she took it to a garage for repairs which Fortegra authorised.

Miss P explained the garage replaced some parts – the water pump and thermostat – but after she collected her car, it immediately continued having the same issues as before. So she returned it for further repairs. Miss P explained her car was in and out of the garage for several weeks for repairs but as the problem persisted, eventually the garage referred her to a dealership for further diagnostics and repairs which was also authorised by Fortegra.

Around the middle of May 2025, Miss P says she was told her car had been repaired and fully tested so she collected it from the dealership. Unfortunately, she found the same issues with overheating the next day so she returned it for further repairs the following day. In total, Miss P says her car was with the different repairers for over 14 weeks.

Ultimately, Miss P's car wasn't repaired. And eventually it was returned to her home in July 2025 as Fortegra wouldn't authorise any further diagnostic tests and it couldn't remain at the dealership. Miss P has said while the repairs and claims have been going on, she's struggled without a car. She's explained she's had to rely on friends and family throughout.

While Miss P's car was undergoing repairs, she claimed on the warranty policy for the cost of a replacement car. Fortegra declined Miss P's claim as it said it wasn't covered by the terms. In summary, it said each time Miss P's car was with the repairers, it didn't meet the threshold of being worked on for 24 hours which was required before she'd qualify for a replacement car. It provided a copy of its terms and conditions and two notes from the repairers, one showing it had recorded six hours of labour for one visit and 1.5 hours of labour for another.

Miss P wasn't happy with Fortegra's decision so she asked our service to look into things. Our Investigator upheld the complaint as she thought Fortegra had interpreted its terms incorrectly. Fortegra didn't agree with our Investigator's opinion so the complaint was passed to me to decide. I've copied my provisional decision on this complaint below:

"*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Based on everything I've seen so far, I intend to uphold this complaint for broadly the same reasons as our Investigator. I'll explain why.*

The policy terms in this case say in summary, customers can only have a replacement vehicle if theirs is being repaired. And Fortegra won't provide a replacement vehicle for the first 24 hours the customer is without the vehicle or during any delay the repairer may have waiting for parts or commencing repairs.

Fortegra essentially says, under these terms, it will only provide a replacement car after the policyholder's car is actively undergoing repairs for more than 24 hours. Although, in response to our Investigator's assessment, it accepted it's unlikely a repairer would actively be working on a car for 24 hours in one go so it says it generally uses a guide of eight hours labour to determine eligibility. And as it says Miss P's car wasn't actively undergoing repairs for more than this amount of time during any one of the times she took it in for repairs, she wasn't entitled to a replacement vehicle. But I'm not currently satisfied its interpretation or application of these terms are fair.

I accept the terms say customers can only have a replacement car if their car is being repaired. But I currently consider the 24-hour exclusion period applies when the customer is without their vehicle – it doesn't make any reference to repairs needing to be actively taking place during those 24 hours – or even for eight hours. Instead that seems to have been added in by Fortegra to explain its terms now and that's not fair. So I think Miss P was entitled to a replacement car when her car went in for repairs and after being without it for a day, whether or not it was being repaired for that entire period of time.

Miss P's said her car was in and out of the garage and the dealership over at least a period of 14 weeks. Fortegra has treated each time it went in and out as a separate incident. But from what I've seen so far in this case, I'm currently satisfied the car went back and forth to the repairers for the same issue – they just failed to repair it each time and took it back in when Miss P alerted them. So I don't think it's fair for Fortegra to treat each period of time Miss P's car went in to the repairers as isolated incidents after which, she had to requalify for the replacement car again."

I asked both parties to make any further comments before I reached my final decision. Miss P said she accepts my decision if it's all she is entitled to. She highlighted she's still been left with a car that doesn't work and Fortegra won't pay for any further diagnostics or repairs. She explained she's still paying for the warranty and the car finance.

Fortegra said in summary that it didn't agree the car had gone back and forth to the different repairers for the same issue, as I'd said in my provisional decision. It provided screenshots of the diagnostic reports and authorisations from when Miss P's car went to the repairer in February 2025 and when it went to the repairer in April 2025. And it highlighted that the first issue was with the thermostat and water pump whilst the second claim was for a temperature sensor defect. So it says it treated these two separate issues as separate claims. Fortegra has explained whilst the faults are in the same area of the car, they are not the same fault or caused by one another. Instead, repairing the first fault, highlighted the second fault.

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 carefully considered the comments I've received from both parties. I've decided to uphold this complaint. I'll explain why.

I thank Fortegra for highlighting that the two times it authorised repairs for Miss P's car, the diagnostics show they were for different faults as I didn't set this out in my provisional decision. But I don't consider this makes a difference to the outcome of this case.

I say this because from what Miss P's said, it seems her car was with each repairer for a number of weeks for each fault. So when I referred to the car going back and forth to the repairers, I was referring to the car being returned each time the repairers thought it had been fixed for each fault. For example, Miss P said as soon as she collected her car after the thermostat and water pump had been repaired, she immediately had issues again so returned her car to the repairer. She says her car was with that repairer over several weeks before being moved to the dealership. Once it was with the dealership, it was back and forth for several weeks again.

So, I accept there may have been two separate issues diagnosed with Miss P's car. But I've considered the length of time the car was with each of the repairers. And I think it's more likely, over the time the car was being repaired for each issue, Miss P was without it for long enough to qualify for a replacement car under the terms of the policy. And Fortegra hasn't given me enough evidence to show otherwise.

I know Miss P is unhappy because the outcome of this complaint doesn't resolve the issues she's having with her car. But the complaint she asked our service to look into about Fortegra is that it unfairly declined her claim for a replacement car under her motor warranty policy. So that's what I've looked into here. I'm sorry to hear Miss P is still in a difficult position with her car. But that's a separate matter that I can't look into here.

Putting things right

I direct Fortegra to put things right by paying Miss P £210 for her to use towards a replacement car as this is what she would've been entitled to under the policy terms. And it should pay her £200 as compensation for the upset it caused her by declining her claim.

My final decision

For the reasons I've given, I uphold Miss P's complaint and direct Fortegra Europe Insurance Company Ltd to put things right by doing what I've said above. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 26 September 2025.

Nadya Neve
Ombudsman