

The complaint

Mr D is unhappy with the quality of repairs Fortegra Europe Insurance Company Ltd (“Fortegra”) carried out as part of his claim on his minor cosmetic damage insurance policy. He’s also unhappy with its offer to settle a subsequent claim for further damage on the same policy.

All references to Fortegra include its agents.

What happened

Mr D bought a new car around October 2021 and at the same time, he took out a minor cosmetic damage insurance policy covering his car for three years. The policy, in part, covers the cost of repairs which can be carried out using a small to medium area repair technique (“SMART repair”).

In April 2024, Mr D made a claim on the policy. He’s explained Fortegra accepted the claim and arranged for his vehicle to be repaired in June 2024. Shortly afterwards, Mr D says he identified issues with the repairs, in particular he said there was a hologram effect on the paintwork, it was marked and there were issues with the colour match. So he made a complaint to Fortegra. Mr D says Fortegra arranged for further repairs – to rectify the damage caused by the previous repairs – to take place on 20 August 2024. But he says the damage still wasn’t adequately repaired.

On 25 August 2024, Mr D says his car was damaged further when he was driving it down a narrow lane. He’s also mentioned he bumped his car on a brick wall damaging the rear driver side door. As a result of this further damage and the repair issues from the first claim, Mr D made a further claim on his policy in September 2024.

Initially, Fortegra declined Mr D’s claim. It considered the damage must’ve happened over time and more than 30 days before he’d reported it. So it said it wasn’t covered under the terms of the policy. But after Mr D made a complaint, Fortegra agreed to settle the claim and rectify the previous repairs. It’s told our service it made this decision as a goodwill gesture but Mr D says that wasn’t communicated to him.

Fortegra initially arranged for two different repairers to carry out works on Mr D’s car and Mr D says it also arranged for the original repairer to carry out a body shop repair. But none of the repairers were willing to carry out the work. Fortegra’s given us the decline report from one of the repairers which says the vehicle had poor repairs and there were too many areas of damage to repair.

Around December 2024, Fortegra offered to pay Mr D £1,050 towards the cost of a body shop repair of his vehicle. But Mr D had received quotes from a dealership for around £5,000 and from another repairer, who I’ll call “A”, for around £1,920. So he didn’t think the amount Fortegra had offered was enough and he asked our service to look into things.

While the complaint was with our Investigator, Fortegra provided more information. It said in summary, the damage under the second claim wasn't covered as it thought it had built up over time. And the warranty for the repairs which took place under the first claim became void when further damage – as part of the second claim – occurred. So it said the offer it had made was a goodwill gesture to put things right and it thought it was entitled to limit it to £150 per damaged panel under the terms of the policy. So it didn't think it had done anything wrong.

Our Investigator didn't agree. He thought Fortegra had caused more damage or didn't fully repair the damage from the first claim. So he didn't think it was fair for it to rely on the policy terms to limit its liability for those repairs. And he recommended Fortegra cover the full cost of the body shop repairs Mr D had received a quote for from A. Fortegra didn't accept our Investigator's opinion so the complaint was passed to me to decide.

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.

Based on everything I've seen in this case, I've decided to uphold it for broadly the same reasons as our Investigator. I'll explain why.

It doesn't seem to be in dispute that Mr D made a claim under his policy in April 2024 which was accepted by Fortegra. And both parties agree the repairs that were carried out under that claim weren't done to an acceptable standard. Under the terms of the policy, it says where there is minor cosmetic damage but it's not repairable using a SMART repair, Fortegra will contribute up to £150 towards a body shop repair. And it's relying on that term now to limit how much it will pay towards a body shop repair under Mr D's second claim. But I don't think that's fair.

I say this because some of the damage to Mr D's car which Fortegra's included as part of the second claim, is damage which was caused by, or is outstanding from, the first claim. And from what I've seen in this case, it's that damage which requires a body shop repair as Fortegra's repairers aren't able or willing to address it as part of a SMART repair.

The damage which is remaining from the first claim shouldn't still need to be addressed, it should've been repaired effectively as part of that claim. So I don't think it's fair for Fortegra to address it as part of the second claim – and therefore limit the second claim because of it. If the only way for the damage Fortegra caused to Mr D's car to be addressed is through a body shop repair which seems likely in this case, I consider it fair for Fortegra to cover the cost of that in full.

Turning to the damage Mr D's claimed for as part of the second claim. I can see from Fortegra's internal notes and the final response letter, it agreed to cover the claim. But due to the pre-existing damage from the first claim, it's unable to carry out a SMART repair. Instead, it's offered to pay towards the body shop repair which will address this damage too.

I'm not satisfied Fortegra has shown the second claim would've always required a body shop repair even if there was no damage from the first claim outstanding. So I think it's likely a body shop repair is now needed because there is damage remaining from the first claim that needs to be addressed. And I don't think it's fair for Mr D to now be out of pocket and have to pay towards the body shop repair, because of this.

Overall, I don't think Fortegra has settled Mr D's claim fairly. To put things right in this case, I direct it to cover the cost of the full body shop repair Mr D's provided a quote for from "A".

My final decision

For the reasons given, I uphold Mr D'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 Mr D to accept or reject my decision before 16 October 2025.

Nadya Neve
Ombudsman