

The complaint

Mr S is unhappy Assurant General Insurance Limited turned down a claim he made on his mobile phone insurance policy.

What happened

In April 2024 Mr S contacted Assurant to make a claim on his mobile phone insurance policy. He said he'd moved back to his parents house (following a relationship ending) and subsequently realised his phone (which wasn't in regular use) was missing. Assurant asked him to provide further information including the IMEI number for the phone, iCloud screenshots and a crime reference number.

Mr S said he didn't believe the phone had been stolen; he couldn't find it so it had been lost. And the iCloud account was registered to his ex-partner so he queried whether he'd need to obtain login details from her. Assurant said if the device was no longer where he'd last seen it that indicated it had been taken so would need to be reported to the police. And as the phone was active on 'find my iPhone' it needed to be placed into lost mode. Mr S would need to ask his ex-partner to do that.

Mr S says he spoke to the police who advised, unless he was sure the phone had been stolen, he shouldn't report it as such. And he said he could contact his ex-partner for iCloud information if this was necessary to progress his claim. Assurant said in a final response to the complaint Mr S made that if his phone hadn't been taken it must still be in his parents house so no claimable incident would have taken place.

Our investigator didn't think the fact Mr S hadn't used the phone for some time provided Assurant with grounds to decline his claim given he'd been continuing to make contractual payments for it. She thought it would be fair for Assurant to accept the claim and provide a replacement phone in line with the policy terms.

Assurant didn't agree. It said there wasn't evidence to show the phone had been in Mr S's possession since it was last used in August 2023. And the phone hadn't been blocked, was still active on 'find my iPhone' and linked to an iCloud account meaning it was most likely still in use. Mr S provided further information in support of his case including statements from his parents confirming they'd seen the phone in his room in "*late March*" and "*earlier this year*". He hadn't used the phone because he'd bought it for use at work but then lost his job. And he had contacted his network provider who told him they would block it.

Assurant didn't change its position. It said there was a record of Mr S contacting the network provider and asking for the phone to be blocked at the start of April 2024. But the phone was currently showing as active on 'find my iPhone' and wasn't blocked. So the previous block must have been removed and the only person who could have done that was someone who was aware of Mr S's account details. And Mr S hadn't provided the iCloud information it had previously asked for showing the phone in lost mode. Mr S said he wouldn't know how to remove a block from a phone and didn't know how to put the phone into lost mode.

I issued a provisional decision on the complaint last month. In summary I said:

The relevant rules and industry guidelines say Assurant has a responsibility to handle claims promptly and fairly. It shouldn't reject a claim unreasonably.

In this case there's been a focus on whether Mr S put his phone into 'lost mode' by using the iCloud account details which it was registered against. The terms of his policy say "If your Device has the functionality, activate your location finder app or software to help you in retrieving it". And that would be done through the iCloud account. Mr S says he wasn't able to do that because the iCloud account was in his ex-partner's name and he was reluctant to contact her (though says he would have done so if it was necessary for the claim to progress and could do so now).

However, I don't think that's the key issue in relation to this matter. Under insurance law, a policyholder can only buy insurance for something or someone in which they have an insurable interest. That means the interest that a person has in something (in this case a mobile phone) which means the person would suffer a loss should that property be harmed. And for cover to be available for Mr S's claim it needs to fall within one of the insured incidents set out in his policy. The terms and conditions of his policy say it covers "your registered Device" in the event of loss, theft, damage or breakdown (including faults). And it says "if your Device is lost or stolen we will replace it". The policy says 'Device' means "for example your mobile phone, smartwatch, laptop or tablet". And the onus is on a policyholder to show an insured incident has taken place.

So for his claim to be covered Mr S needs to show (on balance) that he's suffered the loss of a mobile phone in which he has an insurable interest. The question of whether Assurant had shown a condition or exclusion of the policy applied would only be relevant if it was established that was the case.

Assurant had concerns as to whether Mr S did have an insurable interest in the mobile phone he claimed for. It's highlighted the time that passed since it was last used. However, I think Mr S has provided a clear and persuasive explanation for what happened here. He says he acquired the phone because he needed it for his work but soon after that lost his job meaning he no longer had a reason to use the phone. He therefore left the phone in its box intending to use it once his work situation improved. I'm satisfied this device is one in which he has an insurable interest. But for his claim to be covered Mr S also needs to show that a loss has taken place. And I don't think it was unreasonable of Assurant to have concerns as to whether that was the case.

Mr S's position is he realised his phone was missing when he checked the box it was stored in and found it wasn't there. That was the day before he made his claim to Assurant. And I appreciate it's difficult for him to provide an explanation for that as he's unclear how that happened. I also recognise Mr S has had a lot of disruption in his life (leading to him moving back to live with his parents). I can understand how, in principle, a phone could have accidentally been lost during his move or when Mr S subsequently cleared out belongings he no longer needed. Given that I'm not persuaded this is something for which he'd need to obtain a crime reference number as Mr S wasn't arguing a theft had taken place.

But I've listened to the call in which Mr S first reported the loss to Assurant and I think there are a number of inconsistencies in what he says. He initially said he last saw the phone in January 2024 when he moved back to his parents house (and it was stored in its box in a cupboard in his room). But he later recalled seeing it the following month when he spoke to his ex-partner about it. At the end of the call when the adviser was recapping what had been said Mr S then recalled having seen the phone in the last couple of weeks (and then said he'd seen it in the last week). However, if Mr S had seen the phone as recently as that I'm not clear why he didn't mention that when the adviser first queried this.

Mr S also sent us statements from his parents in relation to when they last recall seeing the phone. His mother has said that around late March 2024 "I was going to change my phone and wanted to see if I should get a larger screen and I went with [Mr S] into his room and held his phone and measured my existing in terms of size and generally weight". Given that would have been shortly before Mr S found his phone was missing it's unclear why he didn't reference that in response to the specific questions Assurant asked about when he last saw the phone a few days later.

Assurant has also raised concerns about the position with the blocking of the phone Mr S claimed for. I've seen a record from his network provider which shows on 1 April 2024 his phone was blocked from being used on any UK network. However, Assurant has provided records which demonstrate the phone he claimed for is not currently blocked by any network operator. That would suggest the block previously placed on the phone was removed.

Mr S says he wouldn't know how to remove a block from the phone and so couldn't have done that. However, it does appear he was able to contact his network provider in order to get the device blocked in the first place. And I'm not sure how someone would have been able to remove the block without being aware of Mr S's account and security information. So I think it was reasonable of Assurant to have concerns as to whether he'd shown a loss covered by his policy had taken place.

I understand Mr S's strength of feeling about this matter which is very clear from his correspondence with us and Assurant. I think it's possible Mr S could obtain further information from his network provider on the reason why his phone was unblocked which might address Assurant's concerns. If he was able to address the other concerns Assurant has (and show his phone had now been put into 'lost' mode) I'd expect it to review matters. But I don't think it was unreasonable of Assurant to conclude, based on the available evidence, that Mr S hadn't shown an insured event covered by his policy had taken place and decline the claim on that basis.

Responses to my provisional decision

Assurant didn't respond. Mr S did provide further comments. In summary he said:

He'd now tried to put the phone into 'lost' mode using his partner's iCloud account details but the number hadn't been recognised. However, he'd contacted his network provider who had blocked the phone. So he thought Assurant were wrong to say he needed to obtain iCloud details from his former partner. And his network provider had said there was no record of him having previously unblocked the phone and there was no evidence to show he'd done that.

He accepted there might have been some inconsistencies in his recollections when he reported the loss to Assurant but he'd been very stressed at the time and might have confused the position in relation to when he last saw the phone and when he last saw the box. And he drew attention to fines that had been imposed on Assurant for past mis-selling and misconduct and highlighted what he said were inconsistencies in how it had behaved in relation to this case.

So I need to reach a final 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.

First, I'm grateful for Mr S's kind words about my involvement with this complaint. But I think there may be some confusion on his part over the difference between blocking his device with his provider and putting the phone into 'lost mode' using iCloud. Blocking the phone means it's prevented from joining a mobile phone network. Putting it in 'lost mode' means the device is locked with a passcode (and so the information it contains can't be accessed).

However, I appreciate Mr S has now provided further information on the blocking of his phone following contact with his network provider. And he's also made additional comment on the contact he initially had with Assurant. I said in my provisional decision it was possible more information on those points might address Assurant's concerns in relation to this. But that isn't information which it's had the opportunity to consider to date.

So this is evidence Mr S will need to provide to Assurant in the first instance (along with the reasons he's now provided as to why he was unable to put his phone into 'lost mode'). Assurant can then review matters and decide whether that makes a difference to its previous outcome on the claim (and whether it requires any further clarification from Mr S on these issues). And if he's unhappy with any further decision it makes that's something we could potentially consider as a fresh complaint.

But that isn't something I'm considering as part of my decision on this complaint. Here I'm looking at whether Assurant fairly concluded at the point it issued its final response to Mr S's complaint that he hadn't shown an insured event covered by his policy had taken place. For the reasons I set out in my provisional decision it remains my view that it did. And the points Mr S has now made don't impact my view on that because that wasn't information which was available to Assurant at the point it reached its decision on this complaint.

My final decision

I've decided not to uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 March 2025.

James Park
Ombudsman