

The complaint

Ms A is unhappy with the replacement phone Assurant General Insurance Limited (“AGI”) provided under her Mobile Phone Insurance Policy.

What happened

Both Ms A and AGI are familiar with the details of this complaint, so I’ve summarised the key issues of complaint.

Ms A had an insurance policy for her mobile phone, provided through her bank and underwritten by AGI. She made a claim under the policy which AGI accepted. Ms A sent her phone to AGI on two occasions, each time receiving the phone back with further faults. On the third occasion, AGI replaced the phone with a refurbished one.

Ms A complained that the battery health was not as good as the one she’d had, and she said AGI hadn’t brought this to her attention. Ms A felt that AGI had failed to meet its obligation under the Consumer Rights Act 2015 (CRA) by not providing a device of satisfactory quality. Ms A also complained that there’d been confusion and delays around when her device would be collected, and she’d incurred costs replacing accessories each time her phone was replaced.

AGI acknowledged the service issues and offered Ms A £75 compensation. However, it said the battery was within the performance expectations set out in the manufacturer’s battery health guidance. Therefore, AGI didn’t think the phone needed a further repair or replacement.

When Ms A brought her complaint to us, our investigator didn’t uphold it. He said the evidence showed that AGI had replaced the phone in line with the policy and the battery health was within the manufacturer’s expectations. Our investigator agreed that AGI had fallen short in its service because of delays and lack of communication with Ms A. The compensation AGI had paid was in line with our compensation guidelines, so our investigator didn’t think AGI needed to do any more.

Ms A didn’t agree. She said she’d incurred costs replacing accessories each time, and there’d been delays which caused her upset and inconvenience which warranted more than £75 compensation. Ms A also remained of the view that AGI hadn’t replaced her phone with one of a satisfactory quality because the battery health was approaching the manufacturer’s replacement level. Ms A asked for an ombudsman’s 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.

Having done so, I’ve decided not to uphold Ms A’s complaint for broadly the same reasons as those set out by our investigator.

The relevant regulator's rules say that insurers must handle claims promptly and fairly. And that they mustn't turn down claims unreasonably. My role is to decide whether AGI handled Ms A's claim fairly, in line with the terms of the policy, and reasonably in the circumstances. Given the nature of Ms A's complaint, I've also had regard for the CRA.

The policy sets out the detail of the contract between Ms A and AGI so, to begin with, I've looked at what AGI should've done. The policy states:

Replacements

(1) Where we replace the mobile phone the replacement will be a refurbished (not brand new) device, we do not provide 'new for old' insurance cover.

(2) We will attempt to replace your phone with one of the same colour but we can't guarantee to do this or replace any limited or special edition mobile phones.

Ms A's complaint is that AGI replaced her phone with one that had poorer battery health than her original phone and it wasn't brought to her attention. Based on the policy wording, I can't see anything to indicate that any expectations were set regarding battery health. It is clear that the phone wouldn't be new, and I think it's reasonable to expect that the battery also wouldn't be new. I wouldn't expect AGI to cover every aspect of the phone that might be different to the one it was replacing, so I don't find that AGI treated Ms A unfairly by not mentioning any specific details about the battery.

I've thought about whether the evidence supports Ms A's claim that the phone was not of satisfactory quality. She said the battery health was at 82% which made it not fit for purpose. The manufacturer provides free replacement batteries operating at less than 80% of the original capacity. But this is only for those consumers who have purchased an enhanced service package. The manufacturer doesn't offer free replacements for batteries operating below 80% capacity under its standard warranty.

This tells me that the manufacturer considers the phone battery to be of satisfactory quality below 80% capacity. Ms A's replacement phone was at 82%, which persuades me that AGI provided her with a phone which can reasonably be considered of satisfactory quality.

Ms A provided screenshots of her phone showing the battery had run down significantly after being charged, and she said it didn't charge fully overnight. Based on what she's provided, I can't reach any firm conclusion regarding the battery health. That's because many factors affect how quickly the battery runs down. I can only conclude from the evidence that AGI provided a replacement phone which met the manufacturer's guidelines for a satisfactory battery.

I've noted that Ms A said she incurred costs having to replace the accessories each time AGI replaced her phone. She's given examples of screen protectors and cases. I've not seen any evidence to indicate that the phone AGI replaced was a different make and model. Therefore, any accessories would likely be compatible with the replacement. Even so, the policy doesn't provide cover for accessories independently of the phone. If the phone had been stolen, cover would be available for lost accessories, but that's not the case here. Therefore, I see no reason for AGI to pay towards any costs incurred.

I've thought about the compensation AGI paid in recognition of its service shortfalls. The evidence doesn't persuade me that AGI was wholly responsible for the delays. The account records show that it waited for responses from Ms A. However, I accept there may have been some confusion regarding next steps. I understand Ms A felt concerned about not having use of a phone with full battery health. However, I'm satisfied that AGI paid fair

compensation for its part in any delays and inconvenience caused and in line with what this service would expect in the circumstances. I see no reason to ask AGI to pay any more.

Overall, I'm satisfied that AGI handled Ms A's claim in line with the policy. And that, where its service fell short of reasonable expectations, it paid an appropriate amount of compensation. Therefore, I'm not requiring AGI to do any more in respect of Ms A's complaint.

My final decision

For the reasons I've given, my final decision is that I don't uphold Ms A's complaint about Assurant General Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 14 April 2025.

Debra Vaughan
Ombudsman