

## **The complaint**

Miss F has complained Sky UK Limited is holding her liable under a consumer credit agreement for a mobile phone handset she returned.

## **What happened**

In September 2024 Miss F took out a consumer credit agreement with Sky for the largest model of a new iPhone. A day later she called Sky to explain she no longer wanted this model and wanted a small model instead. She was told to wait until delivery and then return the larger model.

Two phones were delivered to Miss F on 2 October 2024. She identified which was the model she no longer wanted and gave it to the delivery driver to be returned.

Sky didn't receive this and has continued to hold Miss F liable for repayments. Miss F has brought her complaint to the ombudsman service.

Our investigator felt Sky had sufficient evidence to hold Miss F liable for continued repayment and wouldn't ask Sky to do anything further.

Miss F remains unhappy and has asked an ombudsman to consider her complaint.

I completed a provisional decision on 14 March 2025. I believed there wasn't sufficient evidence to show Miss F had not returned the phone and on that basis was asking Sky to cancel the credit agreement.

Miss F accepted this outcome. Sky made a few further points confirming:

- There was no evidence the phone had been returned despite their procedures to ensure this;
- It was possible the delivery driver would not necessarily have waited for Miss F to return the phone to them based on other conclusions I had drawn.

I now have all I need to complete my 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.

Having done so, I've reached the same outcome as I did in my provisional decision. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I

review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

Firstly, I can see a credit agreement was taken out on 30 September 2024 for a large iPhone model. This agreement is in Miss F's name. She doesn't dispute she took out this agreement.

Sky's evidence confirms Miss F called them on 1 October to amend her order. She was having financial difficulties and decided a smaller phone model – and therefore smaller repayments – would be better. They confirmed her order was already on the way and she should return the iPhone she no longer wanted to the delivery driver.

Evidence shows Miss F taking delivery of two boxes on 2 October. Miss F has explained that she then checked which box was which and asked the delivery driver to take back the larger model after opening the external box. The testimony she provided to us confirms the driver was unwilling to take back the phone but did so as Miss F ensured this was done. Within 30 minutes she called Sky to confirm she'd returned the model she no longer wanted.

Sky has no evidence from the delivery company that the iPhone was returned, and this was never received back at Sky. They have been able to identify the phone was activated the following day but has not been able to confirm anything further to show where and how, or by whom, the phone was activated.

On balance, I'm satisfied the iPhone was delivered to Miss F and she then returned this to Sky using the delivery driver in front of her. I say this because Miss F's testimony has been consistent throughout that she returned the phone. I've been given no reason to doubt what she's told us, particularly when I consider the additional phone call evidence from 1 and 2 October.

Miss F phoned Sky in advance of delivery to tell them about her change of mind. She wouldn't have known at this time that the larger iPhone model was already on its way and Sky couldn't stop delivery. So I don't see why she would suddenly decide a day later to keep both models – which is what Sky has suggested – when it was clear she intended to return it. She then followed this up very soon after returning the item to the delivery driver to confirm she had returned the iPhone.

Sky has suggested the photo provided by the delivery company clearly shows Miss F taking both boxes. There's no dispute this shows two boxes in her hands but as I know from my own deliveries, delivery companies take these pictures so promptly. As these photos are taken, the recipient still won't have had time to realise what they've been handed or to take any further action. This I believe matches what happened here so in Miss F's case she handed one of the boxes back for return.

I appreciate there's no evidence to show what happened to the iPhone, but I think it's most likely that – based on what Miss F has said – the driver took this unwillingly and for whatever reason never properly logged its return.

There's no dispute about the phone calls made on 1 and 2 October and these clearly suggest Miss F's intention to return the phone so I don't see any reason why she wouldn't have done so.

Sky's own evidence has not shown the phone in Miss F's possession.

Based on Miss F handing the phone over to be taken back to Sky, I am asking Sky to cancel the credit agreement Miss F took out for the larger iPhone model. She has made

repayments towards this agreement already so Sky will need to repay these in full. They will also need to add 8% simple interest to each payment from the dates Miss F paid them until the date of settlement.

### **My final decision**

For the reasons given, my final decision is to instruct Sky UK Limited to:

- Cancel the consumer credit agreement in Miss F's name for the larger iPhone model;
- Repay all money that Miss F has already paid under this agreement; and
- Add 8% simple interest to those payments from the date Miss F made them until the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 24 April 2025.

Sandra Quinn  
**Ombudsman**