

The complaint

Ms H has complained that Assurant General Insurance Limited (AGIL) told her it would repair her mobile phone and about the condition of the replacement phone it sent to her when she made a claim under her mobile phone insurance policy.

What happened

Ms H called AGIL in May 2024 to report that the rear camera of her phone was damaged. She made a claim and sent her phone to AGIL by special delivery.

AGIL said her phone wasn't repairable and sent Ms H a replacement phone.

Ms H complained that AGIL didn't tell her it would replace her phone. She didn't want it replaced. She said if she had been told it wasn't repairable she wouldn't have proceeded with her claim. Ms H complained that she asked AGIL immediately not to dispose of her phone and to return it instead. Ms H says the replacement phone AGIL provided was in a worse condition to hers, and she had issues with its performance as well as having scratches, which she says hers didn't.

Ms H wanted AGIL to return her original phone and refund the excess she'd paid to make a claim.

AGIL didn't uphold Ms H's complaint. So Ms H asked us to look at her complaint.

One of our Investigators didn't think AGIL had acted reasonably. She listened to the key call recording when Ms H asked about making a claim and found that AGIL had failed to manage Ms H's expectations. She didn't think it reasonable for AGIL to rely solely on the terms and conditions of the policy and not to consider what the agent told (or didn't tell) Ms H about the possibility of replacing her phone.

For the distress and inconvenience caused the Investigator recommended AGIL pay compensation to Ms H of £100. She also recommended AGIL provide. The Investigator said that thankfully AGIL had agreed to provide a replacement phone to Ms H.

Both parties disagreed. Ms H says £100 covers the excess fee of £75 and the costs of sending her phone by special delivery. But it doesn't compensate her for her time taken to try and resolve the issue or the distress caused. Ms H provided an email from the manufacturer which says the reason why the replacement phone didn't work properly was due to previous data not being removed from it before sending it to her.

Ms H says it took her many days to get this issue resolved. She's unhappy that AGIL hasn't taken any responsibility for its failures. She doesn't want to have to deal with AGIL again.

AGIL said it hasn't agreed to replace the phone because of issues Ms H raised about it, but because Ms H has been seriously ill and said she would be at risk if she returned this under the warranty, which AGIL says would be the correct process for her to follow ordinarily.

AGIL doesn't agree it should pay compensation for the way the call was handled. It says Ms H was made aware of the terms and conditions of the policy when she bought it.

So the case has been 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.

I've listened to the call when Ms H asked about making a claim. She didn't proceed with the claim at this stage. She called back the following day to proceed. I haven't received a recording of that call, but have also listened to a call Ms H made to AGIL as soon as she was made aware that her phone would be replaced.

I think it's clear from the first call that AGIL only discussed that Ms H's phone would be repaired. There was no explanation of the claims process if her phone wasn't repairable. Ms H asked three times about the repair of her phone. During one of these requests, AGIL's agent said; *"Yes absolutely we'd repair it without a doubt."*

Under industry rules, a firm must provide a customer with clear information so as to enable them to make an informed decision. While I accept that the policy terms and conditions set out that AGIL will either repair or replace the phone, I don't think it reasonable for AGIL to solely rely on this – and not comment in response to Ms H's complaint – on what it told her when she called to make a claim. From the call, it wasn't explained to Ms H what would happen if the phone wasn't repairable. And from the above comment about repair; *"without a doubt"* it seems the agent didn't appear to believe it was necessary. Without this information, Ms H wasn't able to make an informed decision as to whether to proceed or not as it wasn't explained that AGIL could replace her phone – and that her phone would then become the property of AGIL.

It's also clear from Ms H's communication with AGIL that she immediately asked for the return of her phone. This was the morning after she received an email the night before telling her AGIL would replace her phone. But I haven't seen any evidence of her request having been considered at the time, evidence of why her phone wasn't repairable, or the condition of the replacement phone provided to Ms H.

In its final response letter, AGIL wrote;

"All phones are quality checked prior to being issued to ensure that they are in an acceptable condition to be provided to a customer, a replacement phone comes with a twelve-months warranty."

Ms H has provided a copy email from the manufacturer which says that the reason why there was issues with the operation of the replacement phone was due to previous data not being wiped. She has also provided screenshots showing problems logging into her account as the phone was still showing as linked to a previous account. AGIL doesn't accept this evidence as it says it doesn't show it belongs to the replacement phone. But having had a recent call from Ms H, it says it will exchange the mobile phone on the grounds of Ms H's ill health.

I think AGIL should promptly provide a working replacement phone to Ms H in line with the remaining terms and conditions of the policy. And I think it should pay compensation of £100 for the distress and inconvenience it caused by the failure to manage Ms H's expectations about the claims process if her phone wasn't repairable.

I understand Ms H doesn't wish to deal with AGIL. But I think this is unavoidable in order to reach a fair outcome. If Ms H has any further concerns, she can raise a new complaint.

My final decision

For the reasons I've given above, my final decision is that I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 15 April 2025.

Geraldine Newbold
Ombudsman