

The complaint

Ms B has complained that Astrenska Insurance Limited trading as Collinson Insurance sent her a refurbished phone as a replacement but it was locked to a network and so unable to be used.

What happened

In October 2023 Ms B made a claim for a broken phone. She paid the £100 excess, and Astrenska replaced it with a refurbished phone as hers was beyond repair.

She connected the refurbished phone to the Wifi at home but had no SIM coverage. She assumed this was because she had no data.

At the end of February when her partner went abroad, he tried to change the SIM, and they realised the phone was locked to EE and unable to be used on any other network.

Ms B asked the insurer and the repair company to unlock it, but they have said that her original phone was locked and then told her that the repair was out of warranty.

Ms B raised a complaint, but Astrenska didn't uphold it and so she brought her complaint to us.

One of our investigators has looked into Ms B's complaint and he thought Astrenska could do more. He recommended that they reopen the claim and proceed in line with the remaining terms and conditions.

Astrenska didn't reply to the recommendation, and so the case came to me to review.

I issued a provisional decision on the complaint. My provisional findings were as follows:

I have to consider whether Astrenska have acted fairly when refusing to unlock the phone.

When Ms B sent off her phone for repair, she was told by Astrenska's repair against that it was beyond repair, and she accepted a refurbished phone as a replacement. Under the terms of the policy, Astrenska are entitled to supply a refurbished phone, and Ms B was happy with the replacement as it was in good condition.

Initially she noticed that there was no SIM coverage, but she wasn't concerned as she assumed she had run out of data. She had bought another phone in any event and was using that.

In February 2024 her partner was travelling to Romania, and they tried to put another SIM in the phone for the trip. It was then that they realised that it was locked to EE, which her previous phone hadn't been.

Astrenska refused to take the phone back and unlock it as they said that Ms B should have checked the phone when she received it, and reported the issue to them. As she hadn't done so within three months, it was now too late as it was outside the warranty period.

I disagree with this.

Ms B's policy says:

"The intention of this policy is to put you back in the same position as immediately prior to the loss or damage. It is not a replacement as new policy. If the gadget cannot be replaced with an identical gadget of the same age and condition, we will replace it with one of comparable specification or the equivalent value taking into account the age and condition of the original gadget. All replacements gadgets come with a full 12-month warranty. We cannot guarantee that the replacement gadget will be the same colour as the original item."

The three-month warranty only applies to repairs.

As Ms B's device wasn't repaired but was replaced, under the terms of the policy above, it comes with a 12-month warranty. So Astrenska should cover any issues with the device during that period.

Technically, the fact that it is locked isn't a fault that needs repairing, but it is preventing Ms B from using the device in the same way that she used her previous device which was unlocked. As the policy aims to put Ms B back in the position she would have been in before the damage occurred, and in this case that means providing her with a replacement device that she can use on all networks, Astrenska should take the phone back and unlock it, or provide a replacement device that is unlocked.

I can understand that having a phone that was not able to be used will have been inconvenient for Ms B, and she will have had to make alternative arrangements for her partner when he travelled abroad. Astrenska's agent should have ensured that the replacement phone had the same functionality as the one that was damaged, and so in view of that I am also recommending £100 for the distress and inconvenience caused to Ms B.

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.

Ms B has replied and accepted my provisional decision, but Astrenska haven't responded, and so I'm making my final decision in accordance with my provisional findings above.

Putting things right

In order to put things right, Astrenska should

- Take Ms B's phone back and unlock it or provide her with advice on how to unlock it, and cover any costs incurred. If they are unable to do this, they should provide a replacement handset which is unlocked.
- Pay her £100 compensation for the distress and inconvenience caused.

My final decision

My final decision is that I'm upholding Ms B's complaint about Astrenska Insurance Limited trading as Collinson Insurance and directing them to put things right as above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 8 May 2025.

Joanne Ward
Ombudsman