

The complaint

Mr B complains about the quality of a mobile telephone handset he bought using a fixed sum loan agreement with EE Limited.

What happened

In August 2023, Mr B took out a fixed sum loan agreement with EE to buy a brand new mobile telephone handset. The cash price of the handset was £1,302 and Mr B was scheduled to make monthly payments of around £36 for three years.

About eleven months later, Mr B says he noticed that the screen on the handset had stopped working and looked uneven. So, Mr B contacted EE to ask for them to repair or replace the handset. Mr B says he needed to make round trip of nearly one hundred miles, to take the handset to an EE repair shop.

However, once EE had inspected the handset, they said it showed signs of damage to the screen, which invalidated the manufacturer's warranty. EE told Mr B that he'd have to pay for a repair himself. Mr B wasn't satisfied with that and complained to EE. He said the handset wasn't durable enough and the screen should have lasted for more than a year. Additionally, Mr B wasn't happy with how he was spoken to, by EE's advisors.

In their response to Mr B's complaint, EE said the screen on the device was cracked and chipped, which meant the fault wasn't down to how the device was manufactured. They said they couldn't replace Mr B's handset free of charge and a repair would cost around £700. Mr B didn't accept EE response and brought his complaint to us. Mr B also repaid the outstanding balance of the loan and obtained a written report for the condition of the handset, from an independent repairer.

One of our investigators looked into Mr B's case and found that EE had treated Mr B fairly. She wasn't persuaded that the evidence showed there was an inherent fault with Mr B's handset. So, she didn't think EE had breached the contract they had with Mr B.

Mr B didn't agree and said the cracks and chips on the screen which EE had referred to, were on a screen protector rather than the screen itself. He said there were other examples online, of screens failing in the same way as his. So, he said the handset supplied to him by EE was faulty.

The investigator didn't change her conclusions, so Mr B's complaint has now been passed to me to make 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.

Firstly, I'd like to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this as it just reflects the informal nature of our service. I'm

required to resolve complaints quickly and with minimum formality. I want to assure Mr B and EE that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Mr B bought the handset using a regulated fixed sum loan agreement, and our service is able to deal with complaints relating to these sorts of agreements.

The agreement sets out that EE sells the device subject to the terms implied by the Consumer Rights Act 2015 (CRA). The CRA implies terms into the contract that goods supplied will be of satisfactory quality. The CRA also sets out what remedies are available to consumers if statutory rights under a goods contract are not met.

The CRA goes on to explain that goods which do not conform to the contract, at any time within the period of six months from the day on which the goods were delivered, must be taken not to have conformed on that day. Unless it's established the goods did conform to the contract on that day. Broadly speaking, the onus is on a supplier to show that goods are of satisfactory quality, if a fault occurs within the first six months from delivery.

In Mr B's case, EE supplied him with a brand new mobile telephone device. I think a reasonable person would expect Mr B's handset to be free of defects and in full working order at the point of sale.

Both EE and Mr B agree that the device has a fault. So, I think the starting point to assess the satisfactory quality of Mr B's handset has been established. However, each side of the dispute has said the fault materialised because of a different cause. So, I've thought about what EE and Mr B have provided to us, to decide whether or not the handset had an inherent fault.

Mr B first raised his concerns about the quality of the handset about eleven months after it was supplied by EE. I say this having looked at Mr B's own notes and EE's records of their contact with Mr B. With this in mind, I think Mr B had use of the device without noticing a fault for nearly a year after he got it.

The handset was taken to one of EE's repair shops in July 2024. I'm aware that Mr B says this was a considerable distance from his home and I acknowledge where he says it took significant time and cost for him to have arranged this. Once inspected, EE noted that the device had damage which had caused a fault with the screen. EE's report also said the damage had made the manufacturer's warranty invalid.

To sit alongside EE's report, they provided several images of Mr B's handset. I can see from those images where the area on and around the screen, contains scratches and where the material has chipped.

Mr B obtained his own appraisal of his device in November 2024. He says he hadn't used the device in the intervening months and had bought a new handset from a different provider. I can see from Mr B's report that it was completed by a local repair engineer. The report says the handset shows no sign of force or water damage. Similar to EE's findings, it suggests there are hairline scratches on the screen. The engineer also says the cracks have caused the screen to become loose and resulted in an uneven surface or bubbling. And Mr B's report intimates where the fault can be commonplace amongst the same make and model of handset.

During our investigation, Mr B provided his own images of the handset. He says the screen isn't as severely damaged as indicated EE's report and that they didn't take into account the

screen protector that was in place during the initial inspection.

Having looked at Mr B's images, I agree that the chips and scratches from EE's report are less obvious. But, I can see where there are some signs of damage in similar places to those seen in EE's photographs.

After weighing up all the evidence, I think EE's report, both sets of photographs and the appraisal from the engineer show that there are scratches on the screen on Mr B's handset. I also think both reports suggest those scratches have gone on to cause the screen to fail. Additionally, I need to keep in mind that Mr B didn't have any concerns about the handset until eleven months after he got it. And where the engineer has suggested the camera and charging port are in a poor condition.

On balance, I'm not persuaded that the problems Mr B has encountered with his handset are because of an inherent fault. I think that all the evidence shows that it was damage to the device itself, which has caused the fault with the screen.

While I know Mr B will be disappointed, I've not seen enough to demonstrate the handset wasn't of satisfactory quality. So, I don't think there's been a breach of contract by EE. I therefore don't have the grounds to direct EE to take any action.

I'm aware Mr B says advisors from EE spoke out of turn towards him, after he had raised his concerns about the device. And where he says he travelled an unreasonable distance to have his device checked over by EE. But, I've not seen from EE's records where they may have spoken in a derogatory or an unprofessional way to Mr B. Additionally, EE say they didn't find any examples of where their staff may have been rude to Mr B.

I don't doubt Mr B's strength of feeling, in that he says the advisors from EE prevented him from progressing his concerns. However, from what I've seen, I don't think the correspondence between both parties means EE should make a payment to Mr B for any distress he may have experienced.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 August 2025.

Sam Wedderburn
Ombudsman