

The complaint

Mr B is unhappy that Telefonica UK Limited trading as O2 won't replace or repair a tablet he bought with a fixed sum loan agreement.

What happened

In April 2020, Mr B bought a tablet from O2. The tablet cost around £1,400 and Mr B took out a fixed sum loan agreement from O2 to pay for it, known as 'the device plan'. At the same time, Mr B took out a services contract for airtime and data, known as 'the airtime plan'.

Mr B says the tablet stopped working in June 2021 – it wasn't charging or turning on. He took it to the manufacturer who inspected it and said it was in good cosmetic condition but wouldn't turn on. The manufacturer recommended an 'out of warranty' replacement or repair.

Mr B contacted O2 and asked it to repair or replace the tablet. O2 inspected it and told Mr B it found "LCD fractures under the cover glass" and he would need to pay around £580 for a replacement. Mr B said O2 had mis-diagnosed the fault and wasn't providing him with details of its investigation. Mr B said he was entitled to a repair or replacement under the Consumer Rights Act 2015 (CRA) as it was reasonable to expect the tablet to work for the duration of the device plan.

O2 responded to the complaint in August 2021 and didn't uphold it. It said as the fault had happened more than six months after O2 supplied the tablet, it was Mr B's responsibility to show the tablet wasn't fit for purpose at the point of sale. O2 didn't tell Mr B he could take the complaint further at this time.

Mr B made a further complaint to O2 in May 2025, saying he was unhappy with the outcome O2 had reached when considering his repair claim, and it wasn't fair he'd continued to pay for the airtime plan after the tablet had stopped working. O2 sent Mr B a final response confirming it wouldn't overturn the assessment of the tablet and giving Mr B the right to refer the complaint to our service – which he did.

Our Investigator considered the complaint but didn't think O2 had treated Mr B unreasonably. He said as it was more than six months since the tablet was supplied, he thought it was reasonable for O2 to expect Mr B to provide evidence of the fault - and such evidence would need to show the fault with the tablet was present at the time it was supplied. He also said he wouldn't be able to consider Mr B's complaint about the airtime plan as this didn't relate to a regulated financial activity our service could investigate.

Mr B didn't accept the Investigator's findings and disputed that O2 had thoroughly inspected the tablet. He also said the Investigator hadn't fairly interpreted the CRA. Mr B said he didn't think it was reasonable for a £1,400 tablet to stop powering on after just 14 months, and this showed it wasn't reasonably durable. Mr B later provided a report from a third-party technology company, which says the tablet has a CPU fault.

As Mr B didn't agree with the Investigator's findings, the case has 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.

Having done so, I agree with the outcome reached by our Investigator – and I'll explain why.

Mr B has made several detailed points in his complaint. I want to reassure him I've considered everything he's said and all the information on the file. But in my decision, I don't intend to refer to everything or address every point made. I mean no discourtesy by this, instead I will focus on what I see as being the key outstanding points following the Investigator's outcome, and the reasons for making my decision.

Our Investigator explained to Mr B why the Financial Ombudsman can't consider Mr B's complaint relating to the airtime plan. The provision of the airtime plan isn't included on the list of regulated financial activities the Financial Ombudsman has the power to investigate. As Mr B hasn't objected to this, I don't intend to comment on the airtime plan further – if he is still unhappy he may be able to take his complaint about the payments to another resolution service.

However, I can consider a complaint relating to the fixed sum loan agreement O2 provided Mr B, as the provision of the credit agreement is a regulated financial activity. I've also noted the terms of the credit agreement say Mr B has the right to make a claim against O2 if he received unsatisfactory goods paid for by the agreement.

Relevant considerations

The CRA is relevant to this complaint. It implies terms into the contract that goods must be of satisfactory quality, amongst other things. In summary, goods are of a satisfactory quality if, after considering the relevant factors and circumstances, they are of a standard a reasonable person would consider satisfactory. This is key to this case, as Mr B can only ask O2 for a remedy under the CRA if it's responsible for a breach of contract by supplying goods that weren't of satisfactory quality.

The CRA sets out that goods which are shown to not conform to the contract within the first six months from supply must be accepted as having not conformed to the contract at the time of supply – unless there's evidence they did conform. But Mr B says the tablet stopped working more than 12 months after O2 supplied it. So, I think it's reasonable for O2 to have asked Mr B to show the tablet didn't conform to the contract. In short, this means showing the tablet had a fault, and that this fault meant it wasn't of satisfactory quality.

What evidence did O2 rely on at the time of the claim?

Mr B got a report from the manufacturer in 2021, but it isn't detailed. The manufacturer confirms the tablet won't charge or turn on but doesn't give a reason for this or name the cause of the fault. While this supports Mr B's claim that the tablet had a fault, it doesn't show that the fault was present or developing at the time the tablet was supplied.

Despite this, O2 agreed to look at the tablet and conducted its own inspection, which I think was a reasonable step. It diagnosed damage to the LCD screen and told Mr B he would need to pay for a replacement tablet as it wasn't covered by the warranty period. I understand Mr B doesn't think O2 correctly inspected the tablet, but I've not seen a reason to doubt what O2's engineer said – I'm not a technical expert, so I can't fairly say which of the two reports is more accurate.

Due to the time that's passed, O2 doesn't have more information about what the engineer found in the inspection, and I don't think this is unreasonable. But Mr B has been able to provide a photo he says O2 sent at the time. This shows some marks on the edge of a device, but it isn't clear what the photo is meant to show. I can understand why Mr B feels this is misleading, and why he wanted to know more about the problem with the tablet. But I don't think O2 is treating Mr B unfairly, as it says it no longer has details it can share about the inspection in 2021.

The evidence available to O2 supports the tablet was faulty, but neither report concludes that the cause of the fault was something present or developing when the tablet was supplied to Mr B. The reports also don't make a finding on whether the goods were sufficiently durable.

Given the time between the supply of the goods and the fault occurring, the evidence provided by the two reports and the particular circumstances of the complaint, I don't think it was unreasonable for O2 to expect to see more evidence from Mr B to support his claim. Mr B didn't provide further evidence to support his claim in 2021, so I don't think O2 acted unfairly when it didn't uphold the claim or offer a free repair.

How does Mr B's recent evidence affect the case?

Mr B has provided a new report from a third-party company, which he says inspected the tablet recently. However, he's obtained this report a considerable time after O2 looked at his claim – so O2 didn't have access to this information at the time. I can only consider how O2 treated Mr B based on the information available to it at the time – and I've explained why I think it treated him fairly.

But even if the new report Mr B provided had been available in 2021, I don't think it's likely O2 would have reached a different conclusion. I say this as the new report still doesn't identify the cause of the fault, only that there is a fault with the CPU. As there's still no answer as to how and when the fault occurred, so I don't think O2 could reasonably consider this as evidence of the tablet being of unsatisfactory quality when it was supplied to Mr B.

If Mr B obtains any further evidence he would need to give O2 the chance to review this.

Summary

After considering all the available evidence, I think O2 treated Mr B fairly. I therefore don't think O2 needs to do anything to resolve this complaint.

My final decision

My final decision is that I do not 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 25 February 2026.

Hannah Dunkley
Ombudsman