

The complaint

Miss J complains that WDP Insurance Limited provided a replacement phone following a claim on her mobile phone insurance which was defective but would not repair it under warranty and required her to make another claim.

Where I refer to WDP, this includes its agents and claims handlers acting on its behalf.

What happened

Miss J made a claim on her policy when her phone was damaged. WDP accepted the claim in December 2023 and provided a replacement phone, which was covered by a warranty.

Miss J contacted WDP again in February 2024 to say the replacement phone was defective. She returned the phone to WDP for checking.

WDP said the power button was damaged and this wasn't covered by the warranty but Miss J could make another claim on the policy. To do this, she would need to pay another excess. She complained about this but WDP didn't change its decision.

When Miss J referred the complaint to this Service our investigator said they did not think the evidence showed the replacement phone provided to Miss J was defective. They thought it was reasonable for WDP to ask her to make another claim on the insurance and pay another excess.

Miss J disagrees and has requested an ombudsman's decision. She says she shouldn't have to pay another excess as the phone is faulty; she hasn't dropped it and there's no damage to it.

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.

The relevant industry rules and guidance say insurers must deal with claims promptly and fairly, support the customer in making a claim and settle claims promptly once settlement terms are agreed.

The policy provides cover for Miss J's phone and it was replaced following the claim in December 2023. Where a claim is settled the settlement should put the customer, as far as possible, back in the position they were in before the loss or damage. So the phone should have the same features and work correctly.

WDP has provided details of the checks carried out before the replacement phone was sent to Miss J. This evidence shows that phone was in good working order. So WDP had settled the claim in a reasonable way.

The replacement phone came with a warranty and if it was defective, WDP would arrange for it to be repaired under that warranty.

If Miss J says the replacement phone is defective, there's some onus on her to provide evidence of this.

She says in January 2024 the power button "went inside" the phone; it was stuck and couldn't be used. And she says she was very careful with the phone, put it in a protective case, and didn't drop it. So she thinks this was an issue with the phone itself rather than damage being caused to it. But as I've said, WDP has provided evidence the quality test carried out on the replacement phone shows the device had passed the quality check and was in good working order.

WDP arranged for the phone to be inspected when it was returned and the evidence indicates there was damage to the phone. The damage couldn't be considered under the warranty.

Bearing in mind it was around two months between the replacement phone being sent and Miss J contacting WDP again, it's difficult to say what caused the issue with the power button. I know Miss J says she was very careful and didn't drop the phone, but it could nevertheless have had some sort of impact during that period without her necessarily being aware of it.

The evidence I have isn't persuasive that the replacement phone was faulty. I appreciate it was frustrating for Miss J to have problems with the replacement phone but in these circumstances I don't think it was unfair for WDP to say she should make a further claim on her policy.

My final decision

My decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 1 October 2024.

Peter Whiteley
Ombudsman