

The complaint

Ms T complains about Assurant General Insurance Limited (Assurant) who didn't repair her device correctly, following a claim under her gadget insurance policy.

What happened

Ms T damaged her phone and as she held a policy with Assurant, she made a claim. The claim was accepted, and Assurant told Ms T to take her phone to its approved repair, for them to repair the phone.

Ms T said that when she received the phone back, it began to work intermittently as the screen wouldn't respond and applications would randomly open and close. Ms T also said that the phone displayed an error message, indicating that a non-branded part was detected in the phone.

Ms T took her phone to the phone manufacturer's store. She was advised that as the part used in the repair was non-branded, this invalidated her existing phone warranty.

Ms T returned to the Assurant repairers, who said that they would investigate it. But, when she collected her phone from them a few days later, they advised her that it could find nothing wrong with the phone. She also noticed that the battery was dead. Ms T charged her phone and found that it still had the same issue. In addition, the battery was quickly draining.

Ms T contacted Assurant directly, who advised her this time, to return the phone to them for further investigation. But as Ms T had lost faith in Assurant's ability to correctly assess and repair the phone, she declined this.

Ms T wanted Assurant to replace the phone, so she raised a complaint. In its final response, Assurant maintained its position and indicated that under the policy terms and conditions, it was permitted to use non-branded parts in its repair. It asked Ms T to return the phone for it to carry out investigations. And it said that it was authorised to carry out repairs, by the phone manufacturer.

Ms T was given her referral rights and as she remained unhappy, she referred a complaint to our service. One of our investigators considered the complaint and thought that it shouldn't be upheld. She said that Assurant was able to use unbranded parts in its repairs, as per the policy terms and conditions. She concluded that it was fair for Ms T to return the phone to Assurant, so that it could investigate the issue with the phone. And then for it to decide what the best next steps would be.

Assurant accepted the view. Ms T did not. She said that Assurant had broken her phone and invalidated its warranty. She said that under the policy terms and conditions once Assurant had invalidated her warranty, it would repair or replace the device as necessary. But she disputed whether Assurant was her phone manufacturer's approved repairer. And because of this, she said she would only except either a replacement of her phone with a new phone.

Or for the phone manufacturer only, to carry out the repair. So, she asked for a decision from an ombudsman.

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 won't uphold this complaint, for much the same reasons as our investigator. I understand that this might be a disappointment to Ms T, but I hope my findings go some way in explaining why I've reached this decision.

I've considered all the evidence and comments provided to me by both parties. In particular the extensive comments made by Ms T. As an informal, impartial, dispute resolution service, we are tasked with coming to a decision with the minimum of formality. As such, it isn't necessary for me to address each, and every point raised. But I have considered each point raised, when deciding what are the main issues of the complaint. I think, the main issues of this complaint are whether Assurant was fair to request the return of Ms T's phone for further investigation. And whether Assurant ought to replace the phone, or get it repaired by the phone manufacturer, as Ms T requested.

I've reviewed the policy terms and conditions, as it outlines Assurant's obligations when it accepts a claim. The relevant term states:

'What you need to know about the claims process: Repairs may be made using readily available parts, or we may provide refurbished products, which may contain parts which are of similar or equivalent specification, and which may include unbranded part.'

I've had a thought about what this means. And I think from the policy, Assurant is able to carry out repairs to a device, using non-branded parts. So, I'm satisfied that it was able to use those parts, if necessary.

I'm aware that Ms T said that the phone displayed an error message that a non-branded part was detected. She said that Assurant told her that the error message is normal and would disappear after around two weeks, but she said the message was still displaying, long after this time.

Given that I'm satisfied that Assurant are able to use non-branded parts in the repair of devices, I can't agree that it was unreasonable for it to have used those parts during the repair, as it had complied with the policy terms.

Ms T evidenced the fault with her phone with video recordings. She said that due to this ongoing fault and the error message being displayed, this invalidated her phone manufacturer's warranty. She felt that the phone was now devalued as a result. She relied on the following from the policy terms and conditions:

'If any repairs authorised by us under this policy invalidate the applicable manufacturer's warranty, we will repair or replace your mobile phone, as necessary, in accordance with the terms of the applicable manufacturer's warranty for the unexpired period of the applicable manufacturer's warranty.'

And she contended that as Assurant weren't able to do this as it wasn't the phone manufacturer's approved repairers.

Assurant has confirmed that it is an approved phone manufacturer's repairer and therefore authorised to carry out repairs. It has also offered to investigate the phone before it either repairs the phone or replaces it.

I think the term that Ms T has highlighted clearly outlines this. Furthermore, within the policy it specifies the following:

'If your mobile phone is damaged or breaks down we will either:

(1) repair the mobile phone (where possible), or

(2) replace it with a mobile phone of the same make, model and memory size. If we cannot do this, you will be given a choice of models with an equivalent specification.'

I think that both terms of the policy indicate that Assurant will initially attempt to repair (where possible) or replace the phone. I understand that Ms T is reluctant to allow Assurant the opportunity to investigate what is wrong with the phone, but I don't think it's reasonable for me to direct Assurant to replace the phone, without it having the opportunity to determine the issue with the phone.

Consequently, I think Assurant has adhered to the policy terms and conditions. And I don't agree that it shouldn't be permitted to assess the phone, before deciding the next steps. That is, whether to repair or replace the phone.

Taking everything into account, whilst I understand how disappointed Ms T will be, I don't think Assurant had been unfair or unreasonable to request the return of her phone, for it to carry out further investigations. Accordingly, I can't reasonably ask Assurant to do anything further here.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 15 November 2023.

Ayisha Savage
Ombudsman