

The complaint

Miss M complains about Assurant General Insurance Limited (Assurant), regarding a claim under her mobile phone insurance policy for damage to her phone.

Assurant uses agents to administer and provide services under the policy, as well as to deal with claims and complaints. Reference to Assurant in this decision includes those agents.

This decision covers the mobile phone insurance policy provided by Assurant as a benefit under Miss M's packaged bank account. It doesn't cover the bank providing the packaged bank account.

What happened

In June 2023 Miss M's phone was damaged, in which the screen was smashed. She contacted Assurant to tell them about the damage and make a claim. Assurant said they'd email her the instructions for the repair or replacement of her phone. As Miss M couldn't access her phone, she couldn't access her emails, so Assurant said they'd send a postage label by post for her to send off her phone for repair. However, she didn't receive the postage label. She contacted Assurant three days after she'd first told them about the damage but was told they couldn't locate her policy or claim on their system.

Miss M contacted Assurant the following day to say she still hadn't received an email. An email was sent to her whilst on the call, and her phone was collected the following day. The phone was received by Assurant's repair centre three days later and deemed beyond economical repair the following day. A replacement phone was delivered to Miss M the following day.

The expectation under the policy was that a phone would be repaired or replaced within five working days. However, because of the delays, she was without her phone for ten days in total (some seven working days). However, Miss M needed her phone to enable her to access tasks through an app for her job. As she didn't have access to her phone for the period, she was dismissed from her job.

Unhappy at the delays and what happened, Miss M complained to Assurant. Assurant said that they unfortunately didn't initially send out the documents to enable her to send her phone off for repair due to system problems. Assurant upheld this element of complaint and apologised for the delay, Assurant also upheld and apologised for errors made by the call handler to whom Miss M spoke three days after she first told Assurant of the damage to her phone, as the call handler made an error when trying to locate Miss M's policy (which was active) and claim. Assurant apologised for the delays in dealing with her claim and offered her £50 compensation. But they didn't offer anything for her loss of earnings, saying the policy only provided for them to either repair or replace a damaged phone.

Miss M then complained to this Service as she wasn't happy with Assurant's response to her complaint and the compensation they'd offered.

Our investigator didn't uphold the complaint, concluding Assurant didn't need to take any action. She thought the compensation offered by Assurant was reasonable for the delay in Miss M's phone being collected for repair (five days from the date Miss M first notified the damage to the phone being collected). The time between the phone being collected and a replacement phone delivered was five days, in line with the service standard Miss M should have expected. It was unfortunate for Miss M to have lost her job, but the investigator didn't think this would be something Assurant should compensate Miss M for, as they wouldn't have been aware this was going to happen.

Miss M disagreed with the investigator's conclusions and requested an ombudsman review the complaint. The delays in arranging for her damaged phone to be collected were due to errors by Assurant and she didn't think the delays and losing her job were adequately compensated by Assurant's award of £50. Her replacement phone had taken seven working days to arrive (and multiple contacts from her with Assurant) rather than the five days she was led to expect.

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.

My role here is to decide whether Assurant have acted fairly towards Miss M.

The key issue in Miss M's complaint is whether Assurant acted fairly in how they responded to her claim for the damage to her phone. Miss M says there were delays in her receiving documentation telling her how to send off her phone. These delays meant she lost her job. Assurant acknowledge there were initially delays and they didn't send an email with instructions, and a call handler made an error in saying they couldn't locate Miss M's policy or claim when she contacted them. Assurance have apologised and paid £50 in compensation for the delays.

In considering the complaint, I've carefully considered the views of both Miss M and Assurant, together with the supporting information and evidence they've provided.

Looking at the sequence of events, it's clear (and acknowledged by Assurant) there was a delay in providing Miss M the instructions on how to send off her phone for repair. The email should have been sent when she first contacted them, but it wasn't. And the call handler couldn't locate Miss M's policy and claim when she contacted them three days after first telling them about the damage. It took five days from the first call to Miss M's phone being collected, and then a further five days for the phone to be assessed, deemed beyond economical repair and for a replacement phone to be delivered.

The latter is what Miss M should have expected under the policy, but not the initial delay.

Looking at the policy, Assurant refer to the following terms and conditions in their final response (under a heading *Benefits you receive*):

"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 and model. If we cannot do this you will be given a choice of models with an equivalent specification."*

In replacing the phone because it was deemed beyond economical repair, Assurant have acted in line with the second option set out above. However, the issue in this case isn't with

the replacement of the damaged phone, it's the initial delay in arranging for the damaged phone to be collected.

Miss M says the delay in her phone being collected and replaced led to her being unable to access tasks on an app on the phone, which she was required to do as part of her job (which she had on a self-employed basis). Because she couldn't do this, she lost her job.

I understand why Miss M feels unhappy at losing her job because she didn't have access to her phone and the app necessary to access tasks allocated to her. Assurant didn't offer anything for her loss of earnings, saying the policy only provided for them to either repair or replace a damaged phone.

Given what Assurant have said, I've looked at the terms and conditions of the policy. Having done so, I can see it doesn't cover either the contents of a mobile phone (including software and apps) or other costs or losses beyond the phone itself. The two relevant exclusions in the policy are as follows:

"Contents of your mobile phone

We only cover the mobile phone, we don't cover the contents. This means that any pictures, software, downloads, apps, music or any other content is not covered by this policy so make sure you back it up regularly..."

"Other losses

Any cost or losses that can't be resolved by the repair or replacement of your mobile phone

We don't cover any loss or profit, opportunity, goodwill or similar losses. We just cover the mobile phone, unauthorized network charges and accessories."

Taken together, I think these exclusions mean that any loss Miss M incurred through not being able to use her phone – including not being able to use the app through which she accessed tasks for her work – wouldn't be covered under the policy. So, this would include any loss of earnings through not having access.

And Miss M losing her job because of not being able to access the app and carry out tasks would similarly fall under the *Other losses* exclusion (the reference to 'opportunity'). It also wouldn't be within the remit of this Service to consider whether Miss M may have unfairly lost her job – that would be an employment matter between her and her employer.

On the issue of compensation, Assurant awarded £50 for the delays Miss M experienced in having her phone collected and assessed. Considering the circumstances of the case, I think this is reasonable for the initial delay she experienced. My understanding is that Assurant have paid Miss M the compensation, so I won't be asking them to take any further action.

My final decision

For the reasons set out above, it's my final decision not to uphold Miss M's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 6 February 2024.

Paul King
Ombudsman

