

The complaint

Mr S complains WDP Insurance Limited (WDP) hasn't treated him fairly when he made a claim under his mobile phone insurance policy.

Any reference to WDP includes the actions of its agent.

What happened

The circumstances of this complaint are well known to both parties, so I've summarised events.

- Mr S has a mobile phone insurance policy which is underwritten by WDP.
- In February 2023, he contacted WDP to make a claim for accidental damage to his phone. Mr S reported that his phone's screen was cracked, and that the device wasn't charging properly. But the claim didn't proceed as Mr S didn't pay the excess.
- Later, in April, Mr S contacted WDP to make another claim as he said there was a fault with his phone – he said the software wasn't functioning properly. Mr S said he didn't consider the cracked screen to be connected to the software issues, and so thought he ought to be covered by the manufacturer's warranty.
- WDP's agent advised that due to the damaged screen the manufacturer's warranty would be void, but that the damage was covered under his mobile insurance policy. So, Mr S paid the claim's excess fee. WDP accepted the claim and sent him a replacement device the following day.
- Mr S later complained to WDP saying he wanted the original device tested to see if the software fault was connected to the cracked screen, as even though the screen was damaged, he'd been able to use it until the software issues started. He added that if the damage wasn't connected, the excess he'd paid should be refunded.
- In response WDP said it was satisfied it had handled Mr S' claim fairly and that an excess was applicable. It said it couldn't test Mr S' phone to see if the software fault was connected to the cracked screen, but that if he returned the replacement device, it could reverse the claim (including refunding the excess) and Mr S could arrange for his damaged device to be tested under the manufacturer's warranty.
- Mr S brought a complaint to this Service. An Investigator considered it but didn't uphold it. Because Mr S disagreed, the complaint has been passed to me for an Ombudsman's 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'm not upholding this complaint – I'll explain why.

- First, it's important to clarify that I'm only concerned with the actions of WDP and whether it handled Mr S' claim fairly under his mobile phone insurance policy. The manufacturer warranty is administered by another company and is therefore, outside the scope of this complaint.
- The policy document clearly says an excess applies when a claim is made. Mr S has made a claim for damage under the policy, and so, I'm satisfied him having to pay an excess was in line with the policy terms and conditions.
- The policy says "*any fault that happens within the manufacturer's warranty period (where the manufacturer covers you against certain operating failure)*" isn't covered. But, here, as Mr S' phone was damaged, the warranty was void. And so, I'm satisfied it was reasonable for WDP to advise Mr S that he could make a claim for damage under his mobile phone insurance policy – but that an excess would apply.
- Whilst Mr S might consider the software fault to be unrelated to the damaged screen – and that testing the device would prove this - WDP has explained it can't test the device because that's to do with the manufacturer's warranty – which it's not responsible for. It has however, offered to reverse the claim and refund the excess if Mr S returns the replacement device to it so he can have his original device tested under the manufacturer warranty. And this seems a reasonable option to me. So, I'll leave it with Mr S to decide whether he wants to.
- Whilst I appreciate Mr S might have found it confusing as to which business was dealing with the insurance claim and the manufacturer's warranty, I haven't seen anything to persuade me WDP hasn't treated Mr S fairly whilst handling his claim and so, I don't consider compensation to be warranted here.
- If Mr S has concerns about being charged a fee for not returning his original device within the time frame given by WDP, he'd need to raise this with the business before this Service can investigate it.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 October 2023.

Nicola Beakhust
Ombudsman