

The complaint

Mr P complained that Astrenska Insurance Limited rejected his claim for accidental damage to his electronic wireless car key (the key fob) under his motor insurance policy.

What happened

After Mr P's key fob stopped working wirelessly, Mr P made a claim under his policy. Astrenska, the insurer on Mr P's policy, declined it. They said his policy only covered accidental damage to the key fob, but they thought this was more likely to be wear and tear. Mr P bought a replacement key fob and wanted Astrenska to reimburse him for that.

The investigator recommended that the complaint be upheld and that Astrenska should reconsider his claim. She thought that Astrenska hadn't acted fairly and reasonably as they hadn't done enough to prove that the key problem was due to wear and tear. Astrenska didn't agree and so I was asked to decide. I issued a provisional decision on 16 November 2022.

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.

In my provisional decision I said as follows:

"We don't decide if or how a key has been damaged, as that is a matter for the experts in these situations, the insurers and engineers. Our role in these complaints is to determine if the insurer has considered all the available evidence and whether they can justify their decision to decline the claim."

I've looked at the policy and it says:

"Section 8 – Key Assist

Key Assist is included to give you extra protection against expensive costs if your keys are lost, stolen or damaged accidentally. "

It later says in the "What is not covered" section:

"Wear, tear or general maintenance of insured keys or locks."

So it's clear that the policy doesn't cover wear and tear. And I don't think that's an unusual clause in such policies.

An insurer is only liable for insured events. So if an insurer can show something isn't covered under a policy, they can reasonably decline a claim. What an insurer needs to show depends on the facts and circumstances of the case.

Astrenska said that Mr P hadn't shown that the key problem had been caused accidentally. They thought that it must have been wear and tear and so they didn't cover it. They said the key was about ten years' old, and when Mr P reported it he didn't say that the key fob had been accidentally damaged. Instead it had just stopped working wirelessly and Mr P didn't know why that was. Accidentally suggests an event or incident, but Mr P couldn't think of anything like that having happened to the key fob. So Astrenska said this suggested that the key stopping working wasn't due to accidental damage.

Mr P got a diagnostic report from a garage. The report said that there was an internal fault with the key. Mr P said the garage's mechanic said that the problem could potentially have been due to water damage or battery leakage. But Mr P said he hadn't been aware of any water damage to the key fob and he'd checked the battery and it wasn't leaking.

The report couldn't confirm what had caused the internal fault, so it wasn't conclusive about why the key fob stopped working. Astrenska thought there was no persuasive evidence that the key fob stopped working due to being damaged accidentally, and so it was more likely to have been due to wear and tear.

I think that the evidence from Mr P and from the garage didn't support Mr P's claim. So I don't think it was necessary for Astrenska to obtain their own expert report to try to show exactly what had caused the problem with the key fob. I think they were entitled to decide as they did on the evidence they had.

I do see that Mr P is likely to be disappointed by this, but I think that in declining his claim, Astrenska acted reasonably in the circumstances on the evidence they had, and so I don't intend to require them to do anything else. "

Since that provisional decision, neither Astrenska nor Mr P have commented on it, and so I see no reason to change my decision. That means that I don't require Astrenska to do anything more.

My final decision

For the reasons I've given above it's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 7 February 2023.



Rosslyn Scott
Ombudsman