

## **The complaint**

Miss H complains about Astrenska Insurance Limited's handling of a claim under a key assist policy.

Astrenska has been represented on the claim by its agents, including its claim handlers. For simplicity, at points, I've referred to the actions of Astrenska's agents as being its own.

## **What happened**

Miss H had key assist cover with Astrenska. In June 2024, she lost her car keys and made a claim. Astrenska was unable to send an agent out immediately, and it agreed to a quote Miss H obtained, from a locksmith that was able to attend on the same day.

The locksmith programmed a new key, which was able to lock and unlock the car, but failed to start the engine. They programmed a second key and experienced the same problem.

Miss H spoke to Astrenska and it told her she'd need to take the car to a manufacturer garage to diagnose the issue and complete repairs. But it said it wouldn't cover recovery costs and it only covered the key and programming. It agreed to cover the locksmith costs.

Miss H took the car to a manufacturer garage, that I'll refer to as D. D charged her for the diagnostics and provided a quote to fit a new steering column.

Miss H complained as she was unhappy Astrenska refused to cover the other costs she incurred, and was asked to pay, following the loss of the key.

Astrenska issued a complaint response in July 2024. It said the issue was with the steering column, and the cost to replace this was not covered, along with the recovery and diagnostic costs. It said it only provided cover for faults identified as relating to the insured keys.

Miss H referred her complaint to the Financial Ombudsman Service. She was unhappy that Astrenska refused to pay the recovery, diagnostic and repair costs. She said because of this, she lost earnings, had to sell her car at a loss, and purchase a new car on finance. She wanted compensation for this, for being without a car, the stress she experienced and the impact on her long-term plans.

The Investigator didn't uphold the complaint. They said the key didn't cause the issue. And the issue existed prior to Miss H's claim. So they said this was not covered by the policy, and Astrenska acted fairly in not providing a hire car in the circumstances.

Miss H disagreed. She felt the outcome was biased and that Astrenska applied the terms unfairly. She said her conversation with Astrenska on the day of the loss was during a stressful time and it was unreasonable to use this against her.

## **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.

Miss H mentioned reporting of a default by a business. Miss H will need to raise this separately with that business, and I won't be considering that matter under this decision.

Miss H has provided a lot of information in support of her complaint. I assure Miss H that I've taken everything she's provided into account. But in this decision I've focused on what I think are the key issues in this complaint. No discourtesy is intended by this, but it simply reflects the informal nature of the way that the Financial Ombudsman Service reviews complaints.

The terms of Miss H's key assist policy say the policy covers locksmith charges and replacement insured keys in the event the insured key is lost. The terms say the policy doesn't cover the cost of a diagnostic check to confirm any fault is with the insured key or the car, or any loss of earnings suffered as a result of the loss of an insured key. The terms also say the policy only covers faults identified as relating to the insured key. I've kept this in mind in considering whether Astrenska applied the policy terms fairly.

When Astrenska spoke to the locksmith on the day of the loss, the locksmith said they felt it was more likely the car was the cause of the issue, as opposed to the key. And when Astrenska spoke to Miss H on the day of the loss, I think it made it clear to her it wouldn't cover any recovery costs, and would only cover the key and programming. I note what Miss H said about her state of mind during this call, but I'm satisfied Astrenska didn't mislead Miss H, and I'm satisfied it provided her clear information.

After D carried out the diagnostics, Astrenska called D directly to understand the cause of the fault. I've listened to the call and I can see D told Astrenska the fault arose because the car had a reconditioned steering rack and not necessarily because the key was reprogrammed. D also said this fault would have presented itself if the car had gone dead for any other reason, such as a flat battery.

D's comments in that call are supported by its estimate, which says D found the steering column had been re-conditioned and required replacing. There is no mention in D's estimate of the key being a cause of the fault.

Overall, I think Astrenska acted fairly in considering the re-conditioned steering rack to be the cause of the fault with Miss H's car. I can understand Miss H's frustration, as the issue became apparent after she lost her key, but I think Astrenska acted fairly in saying the fault was not caused by the insured key. And for this reason, I think it acted fairly in declining cover for the recovery, diagnostic and repair costs associated with this fault. I say this because I don't think the fault that caused these costs to be incurred or required was related to the insured key. And I don't think these costs, including Miss H's loss of earnings, are covered under the policy terms.

Miss H's policy does provide for a hire car if the car is unusable as a result of the insured key being lost. But because I consider Miss H's car was unusable because of a pre-existing issue with the car, I don't think Astrenska acted unfairly in not offering or providing this cover.

For the reasons outlined above, I don't think Astrenska acted unfairly in declining cover for the costs Miss H incurred beyond that of the locksmith. Astrenska agreed to review any invoice from the locksmith, so it can reimburse the agreed costs. I think this is fair, so I won't direct Astrenska to do anything else.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 6 March 2025.

Monjur Alam  
**Ombudsman**