

The complaint

Mr H complains Admiral Insurance (Gibraltar) Limited hasn't paid him the fair market value for his car following a total loss claim on his motor insurance policy.

What happened

Mr H made a claim on his motor insurance policy with Admiral. Admiral accepted the claim and agreed to a cash settlement. It said, eventually, that the market value of Mr H's car at the time of loss was £7,955. Mr H didn't think this was right, so he asked our service for an independent review.

The Investigator considered the information Admiral provided and made some enquiries of his own. He found the fair market value for Mr H's car was £8,564. He recommended Admiral pay Mr H the difference, plus interest. He considered the impact this matter had on Mr H and found the £50 compensation already offered by Admiral was fair and reasonable.

Mr H accepted the Investigator's recommendation. Admiral said the mileage on the car was a little higher than the Investigator had reasonably assumed and asked for evidence of his own valuations. The Investigator replied on 26 July 2023 explaining the mileage wasn't material enough to persuade him to change his recommendation and provided the evidence.

Admiral didn't respond to the Investigator further, despite several follow-up emails from the Investigator. Ultimately the Investigator gave Admiral a final deadline of 19 September 2023 to respond. Admiral still didn't respond. As this complaint can't be resolved informally, I must now make a formal determination.

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.

I've reviewed the evidence considered by Admiral and the Investigator. In the absence of further evidence and arguments from Admiral, I'm persuaded by the market value reached by the Investigator. It follows I require Admiral to pay Mr H the difference - £609. Admiral should also pay Mr H simple interest at 8% a year on this sum from the date the original cash settlement was paid to him, to the date of settlement.

Like the Investigator, I find Admiral did cause Mr H some unnecessary distress and inconvenience by providing incremental increases in its settlement offer following his challenges. Also like the Investigator, I find the £50 compensation Admiral paid Mr H fairly and reasonably reflects the impact this had on him. It follows I'm not requiring Admiral to pay Mr H further compensation.

My final decision

I uphold this complaint and require Admiral Insurance (Gibraltar) Limited to pay Mr H £609, plus simple interest* at 8% a year on this sum from the date the original cash settlement was paid to him, to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 19 October 2023.

**If Admiral considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr H how much it's taken off. It should also give Mr H a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.*

James Langford
Ombudsman