

The complaint

Mr S complains about One Insurance Limited's proposed settlement of his motor insurance claim.

All references to One Insurance also include its appointed agents.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 agree with the conclusions reached by the investigator for these reasons:

- The policy says it will pay the market value of the vehicle when settling a claim. It defines the market value as the cost to replace a customer's car with another of similar make - or that has the same features.
- One Insurance has provided evidence from a review of some trade guides (Glass' and Percayso). And it has offered Mr S a settlement of around £36,771.50.
- I've also checked the above guides as well as two other relevant trade guides, CAP and Autotrader. These guides produced values of £37,540, £36,003, £38,250 and £36,891 respectively.
- Looking at the valuations produced by the guides, I'm not persuaded One Insurance's offer is reasonable. The guides have produced valuations which show a significant difference from the lowest to the highest.
- One Insurance's offer of around £36,771.50 is in line with the lower values set out above, but it hasn't provided me with any submissions which persuade me this offer is fair – or that Mr S could replace the car with a similar vehicle for this amount.
- Considering the information available, and the variation of values produced by the guides, I think a fairer valuation of the market value of the vehicle would be the highest valuation produced by the four guides listed above - £38,250.
- I agree that Mr S has been inconvenienced by One Insurance's actions. He has had to dispute an original valuation with One Insurance, which it then revised to its offer set out above. But considering everything available to me, I think the £100 compensation recommended by our investigator fairly recognises the inconvenience One Insurance actions have caused. So, I make no further award here.

So, for these reasons, I uphold this complaint.

Putting things right

To put things right One Insurance should:

- Increase its settlement offer to Mr S to £38,250 and pay Mr S the difference in value
- Simple interest should of 8% should be paid on the increased amount. This should be calculated from the date of the original payment to the date it makes payment to Mr S.
- Pay Mr S £100 compensation for the inconvenience caused by its actions

My final decision

My final decision is that I uphold Mr S's complaint.

To put things right I direct One Insurance Limited to do as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 9 May 2024.

Michael Baronti
Ombudsman