

## **The complaint**

Mrs H complains about how Ageas Insurance Limited (Ageas) valued her vehicle following a claim made under her motor insurance policy.

## **What happened**

In June 2024 Mrs H's vehicle was involved in an accident with a third-party. Mrs H reported the accident to Ageas to claim for the damage. I can see from Ageas' case notes, the third-party accepted liability for the accident.

Mrs H says Ageas were initially going to repair her vehicle. Mrs H says she provided photographs of her vehicle to Ageas' approved repairer, and it was going to collect her vehicle to assess it further at the garage. Mrs H says the day before her vehicle was to be collected, she was told by Ageas' approved repairer the same had been written off and therefore it was a total loss. So, Ageas said it would settle Mrs H's claim by paying her the car's market value.

Ageas valued Mrs H's vehicle at £5,296. It calculated this sum by reviewing two valuation guides giving figures of £5,260 and £5,296 respectively. Along with the valuation guides, Ageas says it had also taken into consideration advertisement examples for vehicles similar to Mrs H's.

Mrs H rejected Ageas' valuation as she didn't think it was fair. She says, when she tried to discuss the valuation of her vehicle with Ageas, it immediately took the same to be a complaint. Mrs H says Ageas didn't allow her to provide any documentation in support of the higher valuations she'd found for similar vehicles to her own.

In response to Mrs H's complaint, Ageas said it believed its valuation to be reasonable having considered again the two valuation guides it had obtained. Ageas said it wouldn't increase its valuation of Mrs H's vehicle.

Dissatisfied Mrs H brought her complaint to this Service.

Our Investigator said it's not this Service's role to put an exact value on a vehicle. We look at what the established industry guides say similar vehicles were selling for at the time of the incident and we expect insurers to do the same.

Ageas were required to compensate Mrs H for the market value of her vehicle and this definition was set out in its policy terms. An engineer's assessment carried out by Ageas categorised Mrs H's vehicle as a total loss.

Our Investigator looked at four valuation guides and said they produced similar values to the valuation guides obtained by Ageas. So, she thought Ageas' valuation was fair.

Our Investigator said she'd also considered the adverts provided by Ageas and Mrs H. She said Ageas' adverts were less than the value it had placed on Mrs H's vehicle. As to Mrs H's

adverts these weren't similar in age or mileage to Mrs H's vehicle and therefore our Investigator didn't find the same persuasive.

Mrs H disagreed with our Investigator, so her complaint has been passed to me to decide.

### **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 decided to not uphold this complaint and I'll now explain why: -

My role isn't to work out the exact value of an individual vehicle. It's to look at whether an insurer has applied the policy's terms and conditions and valued the market value of the vehicle fairly.

At page 8 of Mrs H policy terms and conditions this provides a definition of market value. It says; -

*"The cost of replacing the car with one of similar age, type, mileage and condition, immediately before the loss or damage happened"*

The above policy term is therefore clear that Ageas will only pay the value of Mrs H's vehicle as it was immediately before the accident occurred.

#### Vehicle Valuation

Ageas when assessing a fair market value of a vehicle, have used valuation guides. The valuation guides are based on the advertised prices of similar cars, with a similar age and mileage as the vehicle it is valuing, at the time of loss. It isn't unreasonable for Ageas to do this and is standard practice within the industry.

Ageas have provided the two valuation guides it used when valuing Mrs H's vehicle. The valuations were £5,260 and £5,296 respectively. I can see the correct vehicle information has been used for these guides. I'm satisfied the values obtained are relevant to Mrs H's vehicle.

This Service has obtained two more valuations of £5,203 and £5,175. I'd consider it good industry practice for Ageas to look at the highest valuation guide, as the fairest reflection of the market value of Mrs H's vehicle, unless it can show this isn't a fair reflection of the market value of Mrs H's vehicle. Ageas' valuation of £5,296 is the highest valuation guide.

Additionally, Ageas have also provided advert examples for similar vehicles to Mrs H's.

Mrs H says that Ageas used an advert for a similar vehicle to her own to check the valuation however, she says this vehicle showed visible damage. When I've looked at advert examples provided by Ageas to this Service, it doesn't include the advert to which Mrs H refers. I however note the value of the vehicle within the advert highlighted by Mrs H has a lower vehicle valuation than that of the valuation guides provided by Ageas. I'm therefore not persuaded that this advert Mrs H refers to would've solely had any impact on the valuation made by Ageas. And I haven't seen anything to show that using the four valuation guides provide an unfair valuation of her car.

Therefore, taking into account the valuation guides and adverts, I think Ageas' valuation of £5,296 for Mrs H's vehicle is fair.

Mrs H will undoubtedly be disappointed as she maintains her vehicle value is higher, and she cannot purchase a like for like vehicle. Having looked at the advert examples provided by Mrs H in support of her stance, I appreciate there weren't many vehicles similar to her vehicle within a 100 mile radius of her home address. However, the adverts obtained are either for similar vehicles, one year older or one year newer than her vehicle. The mileage of the vehicles contained within those adverts is also not comparable with Mrs H's own vehicle which had mileage of 53,939. As such I don't find the adverts to be persuasive to Ageas increasing its vehicle valuation.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 30 December 2024.

Lorna Ball  
**Ombudsman**