

## **The complaint**

Mr C complains about how Accredited Insurance (Europe) Ltd (Accredited) valued his car following a claim made under his motor insurance policy.

References to Accredited include its agents.

## **What happened**

Mr C held a motor insurance policy with Accredited. When Mr C's car was involved in an accident in July 2024, he made a claim for the damage to his car.

Mr C's car was declared a total loss. So, Accredited said it would settle Mr C's claim by paying him the car's market value less any excess.

Accredited initially valued Mr C's car at £13,800. This was rejected by Mr C as he didn't think it was fair. Mr C was seeking a valuation closer to the sum he'd paid for his car, five months prior to the accident.

Accredited increased its valuation to £16,000. Mr C accepted Accredited's valuation as an interim payment. But he still disputed the valuation of his car and raised a complaint.

Accredited didn't change its decision. It said it was satisfied the value placed on Mr C's car was fair and reasonable and in line with market values.

Dissatisfied, Mr C brought his complaint to this Service.

Our Investigator said based on the evidence provided he was satisfied Mr C could've replaced his car for the valuation provided and the evidence supported it was a fair value.

Mr C disagreed with our Investigator, so his 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.

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.

### **Vehicle Value**

Accredited 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's valuing, at the time of loss. It isn't unreasonable for Accredited to do this and is standard practice within the industry.

Accredited has provided three valuation guides it used when valuing Mr C's car, providing valuations of £12,128, £13,910 and £16,512 respectively. I can see the correct vehicle information has been used for these guides. I'm therefore satisfied the values obtained by Accredited are relevant to Mr C's car. In addition, Accredited obtained adverts for vehicles similar to Mr C's car, which have been considered when making its valuation.

This Service has obtained a further valuation of £16,205. I'd consider it good industry practice for Accredited to look at the highest valuation guide as the fairest reflection of the market value of Mr C's car, unless it can show this isn't a fair reflection of the vehicle's market value.

Accredited's valuation of £16,000 is close to the highest valuation guide it has obtained. From the available evidence I understand Mr C is looking for a valuation for his vehicle at circa £17,000 as he says Accredited haven't taken into consideration the higher specification of his vehicle. Mr C has also provided adverts which he says supports a higher valuation.

I've considered the guides used along with the adverts for similar vehicles provided by both parties.

Accredited has acknowledged there was limited availability for a vehicle of the same year and mileage as Mr C's car. The highest valuation guide Accredited has obtained gives a valuation of £16,512. Accredited has said when looking at the vehicles contained within this guide, two vehicles of the same age and with the closest mileage to Mr C's car sold for £15,990.

One vehicle which was also the same age but was 5000 miles less than Mr C's car, was valued at £16,999. At the date the guide was obtained, the vehicle valued at £16,999 hadn't sold and had been on the market for a considerable time. Accredited says this was indicative that the vehicle wasn't priced in line with the market.

Accredited has also provided three adverts for similar vehicles which appear to have been obtained in July 2024. Looking at these adverts I can see there is a range in valuations of between £14,790 to £16,450. Two of the adverts were for vehicles six months and one year newer than Mr C's car respectively. The vehicle which was six months newer had a value of £15,980 and mileage of 3000 miles less than Mr C's car. The vehicle a year newer was valued at £16,450 and had mileage of 2000 miles more than Mr C's car.

The other advert was for a vehicle 18 months older than Mr C's car with additional mileage of 10,000 miles. This vehicle was valued at £14,790. Accredited says it didn't consider this advert to be comparable due to the mileage.

Mr C has also provided adverts which I have considered. He has provided a screen shot of one advert to this Service in January 2025. The advert I've seen is for a vehicle one year newer than Mr C's car with substantially lower mileage by 16,000 miles. It's not clear the date of this advert, but the price of the vehicle is stated as £16,495. I'm not persuaded this advert is comparable to that of Mr C's car given the differing age and mileage.

In January 2025 Mr C has also provided to this Service a further nine screen shots of adverts for vehicles he says are similar to his own. The screen shots aren't clear as to what vehicle is attached to which advert. Some screen shots show the mileage of the vehicle but not the age or value or vice versa. As these adverts were provided to this Service in January 2025 I assume the adverts were obtained at this time, and therefore I don't believe these are comparable.

Mr C has also provided screenshots of other adverts he says are similar to his car. I've looked at the adverts. Two adverts don't confirm the year of the vehicle for sale and therefore I'm unable to compare these to the valuation given for Mr C's car.

Another advert is for a vehicle two years newer than Mr C's car with a lower mileage by 10,000 miles. This vehicle is advertised for £20,495. As this is a much newer vehicle than Mr C's along with substantially lower mileage, I don't consider it to be comparable.

Two further adverts were for a vehicle six months older than Mr C's car valued at £15,495 and 1 year newer valued at £15,000. Neither advert showed the mileage and therefore I'm again unable to compare these to the valuation given for Mr C's vehicle. I also add, that for all these further adverts the date these were obtained is not shown, so I'm unable to say if these are reflective of the market at the time of loss.

I appreciate obtaining an advert exactly matching Mr C's car is difficult. However, taking everything into account I believe Accredited's valuation of £16,000 for the total loss of Mr C's car is fair and reasonable. The valuation is very close to the top valuation obtained by both Accredited and this Service. And from the available evidence I believe the valuation of £16,000 would allow Mr C to purchase a similar vehicle.

Mr C will undoubtedly be disappointed as he maintains his vehicle value is higher and his car had optional extras. I've looked at the optional extras and the available evidence this Service has obtained. But I'm not persuaded the optional extras would make any significant difference to the valuation, considering the age of Mr C's vehicle and depreciation. Therefore, I'm not persuaded that Accredited should increase upon its valuation.

### **My final decision**

For the reasons set out above, it's my final decision that Accredited Insurance (Europe) Ltd doesn't need to do anything further in response to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 May 2025.

Lorna Ball  
**Ombudsman**