

The complaint

Mr B has complained about Acromas Insurance Company Limited. He isn't happy about the valuation of his car after it was deemed a total loss following a claim under his motor insurance policy.

What happened

Mr B made a claim under his motor insurance policy and his car was deemed a total loss after he was involved in an accident. When Acromas looked to settle the claim Mr B wasn't happy with the valuation of his car, so he complained to Acromas about this.

Acromas looked to value Mr B's car after it was written off, but the valuation was complicated by the age of Mr B's car, so it wasn't able to look at the various trade valuation guides in order to gauge the market value of his car. So, its agent researched the marketplace and used an average of the adverts it found for similar cars to Mr B's in offering just over £950 as a market value. But Mr B didn't agree, as he thought his car was worth a lot more, so he complained to this Service.

Our Investigator looked into things for Mr B but eventually decided not to uphold his complaint. He considered Mr B's evidence, but he was more persuaded by the information Acromas provided, so he didn't think it had acted unfairly.

As Mr B didn't agree the matter has been passed to me for review.

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, and despite my natural sympathy for the position Mr B has found himself in after his car was involved in a non-fault accident, I'm not upholding this complaint. I'll explain why.

This Service has an approach to valuation cases like Mr B's which has evolved in recent times. When looking at the valuation placed on a car by an insurance company, I consider the approach it has adopted. And decide whether the valuation is fair in all the circumstances.

It isn't the role of this Service to come to an exact valuation of a consumer's car. But we do look to see if insurers have acted reasonably in looking to offer a fair market value of the car in line with the policy terms and conditions. Ordinarily I pay particular attention to the various trade valuation guides used for valuing cars. And I look at any other evidence provided by both sides, such as advertisements or details about the condition of the car.

Valuing second-hand cars is far from an exact science and it isn't my role to value Mr B's car. I'm just looking to see if Acromas has acted reasonably in providing a fair market value of his car and, overall, I think it has.

Ultimately, the policy requires Acromas to compensate Mr B, the policyholder, for the market value of his car. The policy defines market value as *'The cost of replacing your vehicle with a vehicle of the same make, model, specification, age, mileage and condition as your vehicle was immediately before the loss or damage you are claiming for'*.

In assessing what constitutes a fair value we generally expect insurers to review relevant guides to motor valuations – which is also our starting point for most valuation complaints. But in this instance, this hasn't been possible as unfortunately Mr B's car is too old. However, I've considered the evidence Acromas has provided, and I think its consideration of similar cars to Mr B's, including making mileage adjustments, in reaching its valuations seems fair.

I know Mr B has outlined that his car is in very good condition and has provided some adverts which he feels shows his car is worth a lot more. But the adverts he has provided are in the main for cars that are a lot newer and with very different mileage to his car which clearly affects the advert prices he has provided – so I'm not persuaded by these and find Acromas' evidence more persuasive.

All I'm looking to see is if Acromas has offered a reasonable market value for Mr B's car and I think it has. I know my decision will come as a disappointment to Mr B who was involved in a non-fault accident. However, in looking to see if Acromas offered a fair market value for his car, I think it has for the reasons outlined above.

My final decision

It follows, for the reasons given above, that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 28 July 2025.

Colin Keegan
Ombudsman