

The complaint

Miss L has complained about the market value settlement Ageas Insurance Limited offered when she made a claim under her car insurance policy.

What happened

Miss L's car was stolen and later recovered. Ageas said it wasn't economical to repair Miss L's car and offered her a market value settlement for it.

Miss L said the settlement offer was too low and didn't accept it. But Ageas didn't uphold her complaint. So Miss L asked us to look at her complaint.

When doing so, Miss L said she was unhappy with delays Ageas had caused and that it hadn't been clear about a claim for contents in her car. She believed Ageas had deducted the personal belongings limit of £250 from the settlement offer.

Although these were complaints Ageas hadn't been aware of when it responded to Miss L's complaint, it told us it would pay £300 compensation for the distress and inconvenience it caused by a delay of four weeks in providing a valuation.

One of our Investigators thought Ageas had acted reasonably.

Miss L doesn't agree and wants an ombudsman to decide. In summary she disagrees with our approach to valuation complaints.

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.

We don't decide a valuation. But we look at whether an insurer reached its valuation reasonably and in line with the policy.

Ageas' policy says the most it will pay in the event of a claim is the market value of a vehicle at the time of loss.

Ageas defines the term 'market value' as; *"The cost of replacing the car with another of the same make, specification, model, age, mileage and condition as the car immediately before the loss or damage happened."*

In order to decide whether an insurer has acted reasonably, we look at the main motor trade guides. They provide valuations based on the same make, model, specification, age, condition and mileage as Miss L's car. Where the guides are unable to produce a valuation, we consider other evidence such as adverts for similar cars for sale.

In this case, the main guides were able to produce valuations. The highest of the valuations which Ageas has provided evidence of came to £2,598. This is the market value offer it made to Miss L. After deducting the excess payable under the claim of £325, the payment

comes to £2,273.

Miss L provided a summary of what her car might be worth from a dealer website. It gives a range between two prices. But this doesn't carry more weight than the specific guide valuations in this case. So I'm not persuaded to ask Ageas to pay more than the highest of the guides it obtained.

Since issuing its final response letter, Ageas has offered a compensation award of £300 for a delay of four weeks in providing Miss L with a market value settlement offer. I think this is fair and in line with awards which we give in similar cases for this period of delay.

Miss L told us she believed Ageas had deducted £250 from the settlement offer which is the limit of her personal belongings in the car. The settlement offer of £2,598 is in relation to the car valuation and separate to any claim for personal belongings.

I understand Miss L doesn't agree with our approach to valuation complaints. But I haven't been provided with anything to show Ageas has acted unreasonably. It has provided evidence of valuation guides based on Miss L's car. And it has used the highest of these guides. So I'm not asking Ageas to increase the settlement.

My final decision

My final decision is that Ageas Insurance Limited's offer to pay £300 compensation for the distress and inconvenience caused by a delay providing a market value sum is fair and reasonable.

Ageas Insurance Limited must pay the compensation within 28 days of the date on which we tell it Miss L accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

If Ageas Insurance Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Miss L how much it's taken off. It should also give Miss L a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 15 August 2025.

Geraldine Newbold
Ombudsman