

## **The complaint**

Mr K has complained that Acromas Insurance Company Limited won't reimburse him for repairs under a claim he made against his car insurance policy.

## **What happened**

Mr K made a claim for damage to his car following an incident in December 2022. Mr K wanted to use his preferred repairer rather than an approved repairer of Acromas' to repair his car.

Acromas said this was possible, but Mr K would first need to provide an estimate for repairs for Acromas to approve. Acromas explained it believed it was very likely Mr K's car would be a total loss, with the costs to repair it making it uneconomical to do so.

Mr K didn't provide an estimate for approval. In May 2024 he contacted Acromas to claim reimbursement for completed repairs.

Acromas said the repair costs were more than the value of Mr K's car. It said he hadn't provided an estimate for approval before going ahead with repairs. So it said Mr K could either;

Cover the costs of the repairs, withdraw his claim and Acromas wouldn't record the car as a total loss. Or;

Acromas would pay the market value for his car as the most it would pay in the event of a claim, minus the excess and a deduction for Mr K retaining his car.

Mr K doesn't agree with the options Acromas has offered him. He says the market value of his car is more than the repair costs. And his car has passed two MOT's since repairs were completed and is in good condition.

One of our Investigators thought Acromas had acted reasonably.

Mr K doesn't agree and so the case 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 think Acromas was clear in its communication with Mr K that it required an estimate from his preferred garage for the costs of repairs to approve. This was a necessary step for Mr K to take in order to make a claim under his policy, in line with the policy wording. I haven't seen anything to show Acromas advised Mr K he could proceed with repairs.

Acromas acknowledge there was a misunderstanding when it discussed the repair costs with Mr K in May 2024. Acromas caused confusion by saying it would cover the costs of repairs once the estimate had been approved by an engineer. It has given feedback on this issue,

which I think is a fair outcome. It doesn't change the outcome as by then Mr K had already arranged for repairs to be completed.

Mr K has provided examples of similar cars for sale now. The examples are for different specifications, and the mileage varies widely between the adverts provided. They aren't reliable as a comparison as Mr K's car was damaged in December 2022, over two and a half years ago. Acromas based its valuation on the market value of Mr K's car then, based on the motor trade guides, in line with our approach.

I understand Mr K's car has passed two MOTs since being repaired. But this doesn't mean that Acromas has acted unreasonably as the costs to repair the car was uneconomical for it. Under the terms of the policy, Acromas as the insurer was entitled to make the choice as to whether to repair it or not, subject to the estimate. Acromas wasn't given that choice as Mr K arranged repairs without Acromas' authorisation to cover the repair costs as a claim under the policy.

Acromas says the most it will pay in the event of a claim is the market value at the time of loss. I therefore find the options Acromas has given Mr K to be fair and reasonable and in line with the policy. It is for Mr K to let Acromas know how he wishes to proceed.

### **My final decision**

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 12 August 2025.

Geraldine Newbold  
**Ombudsman**