

The complaint

Mrs P complains about the amount Admiral Insurance (Gibraltar) Limited (“Admiral”) valued her car for when she made a claim under her motor insurance policy.

What happened

Mrs P had a motor insurance policy with Admiral covering her car.

In July 2024 she was involved in a collision with a third-party heavy goods vehicle, causing extensive damage to her car.

She contacted Admiral and made a claim.

Admiral assessed her car as being beyond economical repair and declared it a write-off. It offered her £22,318.50 to settle the claim. Mrs P complained. Admiral increased its valuation to £22,804.

Mrs P pointed out that her car was a high-specification model. She’d bought the car for £24,500 about two months before the collision and thought it would be worth about £25,000 as the variant she had was rare and in demand.

Admiral didn’t agree and maintained its valuation. It made an interim payment to Mrs P.

As Mrs P remained unhappy, she brought her complaint to this service.

Our investigator looked into her complaint and thought it would be upheld. He thought Admiral should settle Mrs P’s claim at a value of £25,587. He also thought Admiral should pay interest on the balance at 8% simple.

Mrs P agreed with the view, but Admiral didn’t.

Because it didn’t agree with the view, this complaint has been passed to me for a final decision.

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 can see from the file that Mrs P has also complained to Admiral about service issues during her claim. Her approach to this service is solely about Admiral’s valuation of her car, so that’s all I’m going to look at here.

Having read the file of evidence, I’m upholding this complaint and I’ll explain why.

This service doesn’t provide valuations for vehicles, but looks to whether the insurer’s offer is reasonable. Our approach is to use trade guides to establish whether an offer is fair.

I've done some research into the car and I've found these values for the month her car was damaged, which are based on a vehicle with the same specification and mileage:

Company A £20,250

Company B £22,575

Company C £22,894

Company D £25,587

I've said above that Admiral said it would pay Mrs P £22,804. I can see it arrived at that figure by having an independent assessor look at some of the trade guides and using an average of them to arrive at its final value.

It's this service's approach that, if an insurer wants to settle a claim lower than the highest trade guide valuation, then it should provide evidence why.

In its response to this service, Admiral showed adverts for similar cars, but I'm not persuaded that its evidence shows me that £25,587 isn't a valid value for her car.

It also said it didn't agree with the highest trade guide being used to value Mrs P's car, but I'd point out that its own assessor used that value as one of the data points it derived its final value from. In other words, it must have considered that value valid or it would have discarded that figure before calculating the value.

Mrs P also provided adverts showing that her car could be worth much more, but again I'm not persuaded by those as many of them were for an updated model, so not directly comparable to her car.

Without further evidence, I think Admiral now needs to settle Mrs P's claim at a market value aligned to the highest trade guide, which is £25,587.

Payments that have already been made can be deducted, and I think Admiral also needs to pay 8% simple interest on the balance.

My final decision

My final decision is that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to settle Mrs P's claim at a market value of £25,587 subject to the remaining terms and conditions of the policy. I'm aware an interim payment has already been made, so this can be deducted. Interest at 8% simple should be added to the balancing figure, from the date Admiral made the initial settlement offer to her, to the date it makes this payment.

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

Admiral Insurance (Gibraltar) Limited must pay the amount within 28 days of the date on which we tell it Mrs P accepts my final decision. If it pays later than this, it must also pay interest on the amount from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or

reject my decision before 7 August 2025.

Richard Sowden
Ombudsman