

## **The complaint**

Mr P and Mrs P complain that after they made a claim on their motor insurance policy EUI Limited didn't offer enough for Mr P's stolen car and provided poor service.

## **What happened**

Mr P's car was stolen on 1 November 2024, but the claim wasn't paid until late December 2024. Mr P and Mrs P thought that was an excessive wait. They said one of EUI's advisors had told them during a call that it would be paid within 48 hours. Mrs P said the finance firm had increased the early settlement sum due to it as a result of the delay. Mr P and Mrs P weren't happy either with the sum paid by EUI for the car - £149,700 - which they'd bought only nine months before the theft for £173,995. EUI apologised for the misinformation and offered them £50 compensation, but it said the sum it had paid for the car was correct.

One of our Investigators reviewed Mr P and Mrs P's complaint. She said EUI should pay the highest sum shown in the national trade guides, in line with our usual approach, which was £159,178. Mr and Mrs P accepted the Investigator's view. EUI said a firm of Independent Assessors had valued the car and it provided the research the firm had carried out. The Investigator didn't change her view, and as EUI didn't respond further, the complaint was 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.

I think it would be fair for EUI to pay Mr P and Mrs P £159,178 (in line with our usual approach to valuations). It's the highest sum set out in the guides, which are based on extensive national research that's updated regularly. We think using the guides is the fairest way to establish a car's likely pre-incident market value, so in order for EUI to pay less than that, it would have to provide persuasive evidence to show that a lower sum is appropriate.

I've considered the report EUI relied on from the Independent Assessor, but I don't think it shows why an offer of around £10,000 below the top guide valuation would be fair. The Assessor appeared not to take into account the highest trade guide valuation and only considered one advert (from a private seller, for around £14,000 less than EUI's offer). I've also considered the adverts provided by Mrs P. I don't think they're persuasive in showing that an offer higher than the top guide price would be fair, as the advertised cars aren't comparable to Mr P's car, in my opinion, due to their age, mileage or specification.

I don't think the time taken to validate the claim was excessive or unusual. Insurers have to make validation enquiries when any claim is made, and extra enquiries are necessary when a car is stolen. I can understand the disappointment felt by Mr P and Mrs P if they were told the payment would be made after 48 hours, but it isn't possible to settle a claim in that time.

In terms of the extra sum charged by the finance firm for early settlement, Mrs P told us a direct debit wasn't paid in December 2024, which I think would account for the charge made. It wasn't due to an error on EUI's part, as it was for Mr P and Mrs P to ensure the payments to the finance firm continued until the sum due to it was paid. I think the same applies if a late payment to the finance firm led to a record on their credit file.

In my opinion, EUI acted fairly by apologising and offering £50 compensation for the timeline error. But I don't think Mr P and Mrs P should have had to challenge the valuation, when it should have been clear from the guides what sum was appropriate. Consequently, I think it would be reasonable for EUI to pay them a further £150 compensation for distress and inconvenience, as well as interest on the extra payment due for the car.

### **My final decision**

My final decision is that I uphold this complaint. I require EUI Limited to do the following:

- Pay £150 compensation (£200 in total) for distress and inconvenience
- Pay the difference between the sum paid for the car and £159,178
- Pay interest on the sum above, at the simple yearly rate of 8%, from the date of the original settlement until the new settlement is paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P and Mrs P to accept or reject my decision before 21 October 2025.

Susan Ewins  
**Ombudsman**