

The complaint

Mr M says Acromas Insurance Company Limited provided poor service and didn't pay him enough for his written-off car when he made a claim on his motor insurance policy.

What happened

Mr M's car was badly damaged in a non-fault accident in March 2025. He was told it had been written off at the end of March 2025, but he wasn't happy with the proposed settlement sum of £17,173.50. Acromas paid him that sum towards the end of April 2025 whilst it dealt with his complaint about it. As the valuation wasn't increased later, Mr M complained to us.

One of our Investigators reviewed Mr M's complaint. He thought Acromas should have offered Mr M the top valuation shown in the trade guides (£17,438) as it hadn't produced anything to show why that sum wasn't appropriate. Meanwhile, Mr M had provided some adverts, one of which showed an asking price (with a reduction) of £18,022. He noted that Mr M's car had higher mileage, but that it shared an additional feature with that car that he thought might make it more attractive to purchasers. Although Mr M had also complained to us about other issues (such as undue delay) the Investigator said he couldn't address them, as they'd have to be considered by Acromas first.

Acromas didn't accept the Investigator's view. It said it had followed our approach in offering Mr M the average of all four trade guide valuations. And it pointed out that it didn't find adverts persuasive, as the stated prices in them were open to negotiation. As there was no agreement, 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 Acromas's file notes show that the only issue it reviewed when dealing with Mr M's complaint (and hence the only issue covered in its final response to him) was the valuation. It doesn't look as though any other issue was put to it. Mr M would have to raise his further concerns with Acromas before we can review its response to them.

In terms of the valuation, our approach is to consider the sums quoted in the trade guides as a starting point. We think they're generally fair and persuasive, as they're based on extensive nationwide research. Although we used to consider it reasonable in some cases for an insurer to offer a consumer a settlement sum that reflected the average of all four valuations, that isn't now our approach. We think insurers should offer the top valuation quoted in the guides (or a sum close to it) unless the insurer can show why it wouldn't be reasonable to do so. In this case, Acromas hasn't produced evidence (such as persuasive adverts) to show that the top valuation isn't reasonable.

Mr M may think he should be offered more, as the three adverts he has provided show asking prices of £19,298, £18,995 and £18,106. The reason for the significant difference in

prices between those three cars (which all seem to be similar) isn't apparent. And as Acromas has pointed out, asking prices are usually subject to downward negotiation. The first car's mileage is unknown, but the mileage on the other cars is less than that of Mr M's car (in one case, substantially less). The car on sale for £18,995 is stated as overpriced by £973, which would mean its value (with less mileage than Mr M's car) is closer to £18,022. Although that car has an extra feature that Mr M's car also has, I don't think it's possible to say what value (if any) that adds to it, or to Mr M's car.

Although I don't think the adverts are persuasive as comparators to Mr M's car, in my opinion they indicate that a fair and reasonable sum for his car is more likely than not to be at the top of the valuations provided by the trade guides. In the absence of any evidence to the contrary, I think Acromas should have offered Mr M the top valuation in the trade guides, so I think it should put matters right by paying him the difference between that sum and the sum he was paid (£264.50) plus interest. I think that would be a fair and reasonable way to resolve Mr M's complaint.

My final decision

My final decision is that I uphold this complaint. I require Acromas Insurance Company Limited to pay Mr M an extra £264.50 for his car. It should pay him interest on that sum (at the simple yearly rate of 8%) from the date the initial payment was made until the date the extra sum is paid to him.

If Acromas thinks it should deduct tax from the interest, it should tell Mr M how much has been deducted, so he may reclaim it from HMRC as appropriate.

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

Susan Ewins
Ombudsman