

The complaint

Mr C complains about the way Admiral Insurance (Gibraltar) Limited valued his car after he made a claim under his car insurance policy.

What happened

Mr C's car was stolen so he made a claim under his car insurance policy with Admiral. Admiral accepted the claim and said it would pay him the market value for his car. It valued his car at £19,125 and paid him that amount, less the excess. This was the average of two motor valuation guides it used. Mr C didn't think that was enough and complained.

Admiral reviewed its valuation but didn't uphold Mr C's complaint. It said it was satisfied its valuation was fair. Mr C didn't agree and so brought his complaint to this service.

Our investigator didn't think Admiral had shown why its offer was fair and thought a higher valuation would be more appropriate. He explained why he thought a fairer valuation would be £24,436. He thought Admiral should pay Mr C the difference between this amount and the payment it had already made. And add 8% simple interest to the additional amount from the date of the original settlement.

As Admiral didn't agree, Mr C's complaint has been passed to me to make 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.

The terms and conditions of Mr C's policy say that if his car is stolen Admiral will pay him the market value for the car. It defines market value as, "The cost of replacing your vehicle with one of a similar make, model, year, mileage and condition based on market prices immediately before the loss happened. Use of the term 'market' refers to where your vehicle was purchased. This value is based on research from industry recognised motor trade guides".

I should explain that it's not my role to value Mr C's car. This service's approach is to assess whether the insurer's valuation is fair and reasonable and in line with the terms and conditions of the policy. To do this we tend to use relevant motor valuation guides. I usually find these persuasive as they're based on nationwide research and work out the likely retail selling prices rather than advertised asking prices at the time of loss.

Admiral showed us evidence of the two valuation guides it used - CAP and Glass's. It also tried to use Autotrader but that guide didn't provide a value. Admiral said the two guides that did return a value gave the following valuations:

- Glass's – £19,350
- CAP – £18,900

The average of those two figures is £19,125. Admiral used a mileage figure of 91,743 when using the guides. It said this was calculated using the annual mileage figure given by Mr C and the last MOT mileage recorded. It then calculated how many miles he would likely have done up until the date of the theft. That seems a fair and reasonable way of calculating the car's mileage.

Our investigator did their own assessment using the same two guides used by Admiral plus one different one, Percayso. He also tried using Autotrader but he too didn't get a valuation from that guide. I can see our investigator used the correct details for Mr C's car when using the valuation guides, including the age, type, specification and condition at the time of the accident. They also used the same mileage Admiral used. The three valuations he arrived at were as follows:

- Glass's - £19,350
- CAP - £18,695
- Percayso - £24,436

Our investigator noted that the valuation guides produced valuations which vary significantly, and that Admiral's valuation was in line with the two lower valuations. He shared his assessment with Admiral and said he'd expect it to provide other evidence to support the lower valuation. But as it hadn't done that, he thought a valuation in line with the higher valuation would be more appropriate to avoid any detriment to Mr C. He thought a more appropriate market valuation would be £24,436.

Having very carefully considered all the evidence provided by Admiral and Mr C, as well as the assessment made by our investigator, I too am not satisfied it's valued Mr C's car fairly. Admiral pointed out that the Percayso valuation our investigator obtained was significantly higher than the other two valuations, perhaps indicating a lack of reliability with that valuation guide. It thought we should discount that valuation. But I would only discount it if I thought it was wrong. And I haven't seen any evidence to suggest that's the case.

The evidence I have seen would suggest that the higher of the valuations would be more appropriate than the valuation suggested by Admiral. Mr C has provided a number of different adverts to support his contention that his car should be valued at around £30,000. The value of the cars he's found advertised vary significantly, as do the mileages of those cars. But the advertised cars that are most similar to Mr C's are largely valued between £20,000 and £30,000 and I think it's fair to say the adverts provided by Mr C support a higher valuation than the £19,125 offered by Admiral.

Given there isn't any other evidence to persuade me that a valuation in line with the higher valuation is inappropriate, and to avoid any detriment to Mr C, the highest valuation produced by the guides is my starting point.

Mr C has suggested the valuation should be significantly more than the amount offered by Admiral because of the engine on his car had been rebuilt before he bought it and would attract a higher price. There is some limited evidence to support that but I don't think it's sufficiently compelling in light of the other evidence I've seen to warrant a valuation higher than £24,436.

Putting things right

Placing a valuation on a vehicle isn't an exact science, and in this case there are a wide range of valuations. But, having considered the overall variation of values produced, and the lack of other relevant evidence provided by Admiral, I consider that a more appropriate and fair market valuation would be the highest of the guides, which is £24,436. As Admiral has

already paid Mr C £19,125, less any excess, it should pay him an additional £5,311. I also think it should add 8% interest to that additional amount for the time he's been without it.

My final decision

In light of my findings above, my final decision is that Admiral Insurance (Gibraltar) Limited should pay Mr C an additional £5,311, plus 8% interest from the date it paid its initial valuation until the date of settlement¹.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 November 2025.

Richard Walker
Ombudsman

¹ If Admiral Insurance (Gibraltar) Limited consider it's required by HM Revenue and Customs to take off income tax from that interest, it should tell Mr C how much it's taken off. It should also give him a certificate showing this if he asks for one, so he can reclaim the tax from HM Revenue and Customs if appropriate.