DRN-5771298

The complaint

Mr B complains Ageas Insurance Limited ("Ageas") hasn't offered to settle his claim on his motor insurance policy fairly as it hasn't valued his classic van correctly after it was stolen.

All references to Ageas include its agents.

I understand Mr B has another complaint against Ageas about this claim which was also escalated to our service. But this decision is about the valuation of his van only.

What happened

Mr B took out a motor insurance policy around June 2022. He added his classic van as an additional vehicle around August 2022. In March 2023, Mr B's van was stolen so he made a claim on the policy.

The van wasn't recovered so around July 2023, Ageas made an initial offer to settle Mr B's claim by paying him its market value which it said was £3,500. Mr B disputed this amount. And in June 2024, he sent Ageas an advert of a van which he says was identical to his. The advert only showed the 'hammer price' of £5250 which is the amount the buyer paid for the van itself, minus any auction fees or value added tax ("VAT"). But Mr B said the total price the van sold for was £6468 in 2020. Mr B thought Ageas should pay him at least the amount this van sold for with fees and VAT added as he said those fees are always included in the total price when buying classic vehicles at auction. He also highlighted the van was sold during the Covid pandemic and he thought prices had increased since that time.

Mr B raised a complaint around October 2024 as he wasn't happy with the original amount offered by Ageas and it hadn't considered the further information he'd provided. As he didn't get a response, he got in touch with Ageas again in December 2024. Ageas upheld Mr B's complaint. It said it considered market findings ranging from £4,200 up to £12,995 as a guide but as there were a limited number of similar vans available on the market, it agreed to increase its offer to £5020 which it said was the hammer price in Mr B's advert. And it made this payment in February 2025. Ageas also offered Mr B £50 to make up for not responding to his complaint when he first made it.

Unhappy with Ageas' response, Mr B asked our service to look into things. Our Investigator didn't uphold the complaint. Considering the mileage of Mr B's van and the adverts for similar vehicles, he thought Ageas' offer was fair. He also didn't think Ageas' offer should cover the cost of VAT as the van wasn't used for commercial purposes and it shouldn't include the auction fees as Mr B didn't purchase his van at auction.

Mr B didn't accept our Investigator's opinion. He said his van was in very good condition and that's more important when valuing classic vehicles than the mileage. And he said the features of his van made it more collectible than other vans of the same make. So he thought the market value would be at the higher end of the examples Ageas had collected. He also said it's standard practice to factor in the auction fees and VAT when purchasing classic vehicles so thought that should be included. This didn't change our Investigator's opinion so the complaint was passed to me to decide. I issued a provisional decision on this complaint in July 2025 which I've copied below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Based on what I've seen so far, I'm planning to uphold this complaint in part but not exactly in the way Mr B wants.

Valuation

Mr B's told us his vehicle is rare – there aren't many on the market. And from the limited number of adverts available, I'm persuaded by what he's said here. So I've thought carefully about the adverts we have been given from both parties. These adverts show a wide range of values from £4,200 up to around £12,995.

Mr B thinks a fair valuation for his van is somewhere around £8,000. He's reached this figure by taking the highest advertised prices of vans provided by Ageas and the total price the van he'd found sold for in 2020. But I don't currently think that would be a fair valuation in this case. I say this because the mileage of Mr B's van was around 87,000 but the mileage of the top value vans I've seen were significantly lower – around 20,000 miles.

I know Mr B says, when valuing a classic van, mileage isn't important. Instead, he's explained the condition of the van and whether it's rusted is more important. And he's told our service his van didn't suffer from rust at all. But, looking at the adverts we've been given, I can see all of the more expensive vans have a significantly lower mileage recorded than Mr B's van. And that includes one of the campervan style vehicles which Mr B's told us are the less desirable style of van and usually worth less. Whereas the adverts for vans with higher mileage are for a much lower asking price.

At the moment I think it's more likely than not that mileage is an important factor in determining the value of these types of vans. And that seems reasonable considering lower mileage often indicates less wear and tear. So I don't consider it's fair to direct Ageas to pay the top value – or near the top value – for Mr B's van, when his mileage was significantly higher than the vans advertised at those prices.

Ageas has offered Mr B around £5,020 to match the advert he got from 2020. Mr B says the price would've increased since the end of the Covid pandemic as prices fell during that time. But from what I've seen, the Covid pandemic positively impacted the price of classic cars due to, for example, the increase in online auctions. So I'm not persuaded by what Mr B's said here.

When Mr B provided the advert for the van sold in 2020, he told Ageas and our service it is very similar in condition, make and model to his van. Mr B's van wasn't recovered and there's no photos or other evidence of its condition so Ageas has relied on what Mr B's said and I think that's fair here. So I think Ageas acted fairly by agreeing to base its valuation on that advert. But the value Ageas has offered Mr B was £5020 minus the excess payable on his policy, so £4070. And the advert he says he gave Ageas shows a hammer price of £5250. I can't see the reason for the discretion here so I think Ageas should've matched the hammer price of £5250. If it doesn't agree, it needs to give me clear evidence showing why it thinks £5020 was the correct hammer price of the van sold in 2020 by the deadline I've set.

I understand Ageas hasn't included the auction fees in its valuation – it's only offered Mr B the hammer price. And I don't currently think that's fair in this case. I say this because Mr B says when buying classic cars at auction, it's usual for buyers to factor in the total auction price – including the fees – when working out what they're willing to spend. So effectively the auction price, including the fees represent the value of the vehicle – and what buyers are willing to pay for it. And from what I understand about buying classic cars at auction, at the moment, I'm persuaded by what he's said here. So I think Ageas should include the auction fees as part of the value of Mr B's van and it should increase its offer to fairly reflect this.

I know Mr B also thinks Ageas should cover the cost of the VAT which was included in the advert. But from everything I've seen in this case I can't see Mr B used the van as a commercial vehicle or paid VAT on it when he bought it. So at the moment, I don't agree Ageas should include the cost of VAT in its offer as it'll put him in a better position than he was in before the insured event occurred.

Customer service

Mr B's explained he's unhappy with the service he received from Ageas. In particular, he's told us Ageas ignored the advert he provided in June 2024 and made an initial offer to settle his claim without taking it into account. And it didn't give him the market findings it said it was relying on when Mr B asked for it. I can see Mr B complained in October 2024 about this and had to chase Ageas for a response in December 2024. I think that would've been frustrating and he wouldn't have felt listened to. I also think it would've inconvenienced Mr B as he had to make and follow up his complaints in order to get a response. So I don't think the £50 Ageas has offered him to make up for the service provided here is enough. To make up for what's gone wrong, I think Ageas should increase the compensation it's offered to £150 in total. That includes the £50 it's already offered Mr B.

Mr B thinks it would also be fair for Ageas to pay him 8% interest on the settlement amount from June 2024, as he says if Ageas had considered the advert he provided at that time, he would've received the payment then. So he thinks he's been without the funds since that time. But at the moment, I don't agree. I say this because, had Ageas considered the advert in June 2024 and agreed to match the amount that van was sold for, I don't think it's likely Mr B would've accepted it as he wants significantly more. So I think he would've been without the funds either way."

I asked both parties to make any further comments before I reached my final decision. Initially, Ageas said it agreed to increase the vehicle value to £5250 and to include the auction fees at 12%. But it said it had already paid Mr B more compensation than I had recommended. Following some further investigation however, it identified the further redress was paid for a different complaint so it agreed to increase the redress to £150 in total.

Mr B explained VAT is always payable on auctioned classic cars. So he still thought this should be included in the settlement value.

I spoke to the auction house that sold the van the settlement figure was based on. And they confirmed Mr B's view that VAT is always included so I provided that information to Ageas. But I explained the 12% fees I'd previously recommended it included in the settlement value, seemed to include the VAT already and Ageas had already agreed to pay that. I said to both parties, if Mr B could show the van was actually sold for £6468 including the fees and VAT as he'd previously said, I thought Ageas should pay that amount. Otherwise, Ageas should pay £5880 which I'd calculated was the amount the van was sold for plus fees and VAT.

In response to my email, Ageas agreed. It said if Mr B could show the higher value was how much the van advertised was sold for, it would pay that amount.

Mr B provided a great deal of information about the history of what's happened throughout his claim and complaints. And he sent us correspondence to and from Ageas. I've summarised below what he said:

- Ageas has caused considerable delay to his claim settlement. It didn't respond to his letters requesting a settlement offer, it ignored his complaints and it made its first offer to settle the claim in June 2024.

- Whilst he agrees with my view that, even if Ageas had made a fair offer earlier, he may not have agreed to it as he wanted considerably more, my resolution doesn't take into account the delay in Ageas making a settlement offer. And if Ageas had started the process earlier, the negotiation would've happened sooner and the claim might've been concluded earlier. So he thinks Ageas should pay 8% interest on the settlement amount to reflect the delay it's caused.

- He got the settlement figure of £6468 by adding 12% auction fees to the listed sale figure of £5775 shown on a well-known website. But he explained he's not certain of the figures and he can't remember exactly how the auction house calculated VAT.

- The additional compensation Ageas says it's already paid, relates to a different complaint.

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've considered the further comments I've received from both sides carefully.

I appreciate Mr B's view that Ageas has caused a significant delay in settling this claim so he thinks 8% interest should be added to the settlement amount. But it's my role, as far as possible, to put Mr B in the position he would've been in if nothing had gone wrong in this case. And whilst I accept Ageas delayed responding to Mr B's settlement requests, considering Mr B wanted a much higher settlement figure than it's now agreed to pay, I'm not persuaded even if it had acted quicker, Mr B would've accepted and had the funds sooner.

I know he says had Ageas responded to him on the occasions he forwarded settlement figures to it, they could've started and concluded negotiations over the settlement figure sooner. But, based on everything I've seen, I'm not persuaded by what he's said. I would also note that I've taken the non-financial impact of the delays Ageas caused to Mr B into account when considering the appropriate compensation it should pay.

Mr B believes the van from the advert he provided from 2020 was sold for a final price of £6468 and he's got that figure from adding 12% to the sale price on a well-known website which lists the sold prices of auctioned vehicles. Ageas has agreed to pay this amount if Mr B can evidence that was the total amount it was sold for. And whilst I think it's more likely the final figure the van sold for was £5880, I think it's fair for Ageas to pay the higher amount if Mr B can provide clear evidence it's the correct final amount the van was sold for. Mr B will need to forward that evidence to Ageas directly.

Putting things right

To put things right in this case, Ageas should:

- Pay Mr B £180 which is the difference between the hammer price of the advert he provided and the amount Ageas has already paid to settle the claim, less the excess.

- Pay the auction fees and VAT which would've been paid for the van sold in 2020 as outlined on the auction website. That would mean the total valuation would be £5880.

- Alternatively, if Mr B provides clear evidence the hammer price of the van sold in 2000 plus auction fees and VAT was £6468 as he says it was, Ageas should use that figure as the final settlement amount and pay the outstanding amount.

- Pay Mr B an additional £100 to take the total compensation paid to him to £150.

My final decision

For the reasons I've given, I uphold Mr B's complaint and direct Ageas Insurance Limited to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 September 2025.

Nadya Neve
Ombudsman