

## The complaint

Mrs T's representative complains on her behalf that Admiral Insurance (Gibraltar) Limited (Admiral) unfairly settled her claim on her motor insurance policy after her car was stolen.

Reference to Mrs T or her representative, includes the other.

## What happened

Mrs T made a claim on her motor insurance policy after her car was stolen.

Admiral made Mrs T a settlement offer of £27,326 less the policy excess.

Mrs T's representative was not happy with the settlement amount. They said the car was in excellent condition and had low mileage prior to being stolen, and after looking at similar cars for sale they felt it was worth more than Admiral's settlement offer.

Because Mrs T's representative was not happy with Admiral, they brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and said Admiral's settlement offer was the highest of the guide prices and they were persuaded its valuation was enough to enable Mrs T to replace her car like for like.

As Mrs T's representative is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## 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.

In this case I have considered whether Admiral acted fairly and reasonably in reaching its decision as to the level of settlement offered to Mrs T following the write-off of her car.

My role is not to provide an exact valuation but to make a judgment as to whether the offer of settlement is fair.

I firstly looked at the details within Mrs T's motor insurance policy with Admiral. In the terms and conditions of the policy. It says;  
*“Market Value – 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. ”*

Although this service doesn't value vehicles, we do check that the insurer's valuation is fair

and reasonable and in line with the terms and conditions of the policy. We use valuation guides to do this, and they're based on nationwide research of likely selling prices and take the car's specifications, mileage etc into account.

This service doesn't consider the question of market value to be an exact science, however our general approach is that the valuations given in the main motor valuation guides provide the most persuasive and consistent evidence. These guides are based on extensive nationwide research of likely (but not actual) selling prices.

Prices of used cars can change on a regular basis. This could be an increase or decrease. This is the reason why we take the approach that if Admiral can demonstrate, that it used a fair process to value the car then we wouldn't interfere with the offer it has made.

I looked at the information Admiral used when calculating the market value for Mrs T's car. It obtained valuations from three of the main valuation guides. In this case Admiral offered £27,326 which is the highest of the three valuations from the guides. It provided information of other cars advertised for sale and the amount offered was at the very top end; only one car was advertised at a higher price than the settlement offer. I saw it also obtained an independent assessment which valued the car at £26,910.63 which was the average advertised sales prices of a number of similar cars, plus an addition due to the low mileage of Mrs T's car.

I looked at the valuations our investigator obtained. They used four of the main valuation guides, of which were the same as used by Admiral. The highest of these four valuations was £27,385 and the lowest was £24,250.

The valuations obtained by both our investigator and Admiral were obtained using the date Mrs T's car was stolen which is in line with the terms of the policy.

I have considered that Mrs T's representative said the car had low mileage, a full service history and a dash-cam worth £450. I also saw they had undertaken research on cars that were advertised for sale and initially provided adverts of similar cars advertised for sale for more than the amount offered. They feel the valuation should be close to £29,295 which was the advertised selling price of a similar car from a main dealer. However, I am satisfied that the highest valuation obtained is in line with the list of advertised sales prices and that it is a fair market value settlement offer.

Although I recognise Mrs T's representative feels strongly that the valuation approach applied doesn't provide a fair and open market valuation, I am persuaded the amount paid is fair in this case. It is the highest valuation obtained by Admiral and I think going by the highest will ensure Mrs T has received a fair offer, allowing her to replace her car with one of a similar make, model and specification.

Therefore, I don't uphold Mrs T's complaint and don't require Admiral to increase its settlement offer or do anything further in this case.

### **My final decision**

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 17 December 2025.

Sally-Ann Harding

**Ombudsman**