

The complaint

Mr B complains about the settlement offered by Acromas Insurance Company Limited ('Acromas') following a claim on his motor insurance policy.

Acromas are the underwriters (insurers) of this policy. Some of Mr B's dissatisfaction concerns the actions of their appointed agents. As Acromas have accepted responsibility for their agent's actions, in my decision any reference to Acromas includes the actions of any appointed agents.

What happened

The background to this complaint is well known to Mr B and Acromas. In this decision I won't repeat in detail what's already known to both parties, instead I'll focus mainly on giving the reasons for reaching the outcome that I have.

Mr B made a claim on his motor insurance policy. He was unhappy with the settlement offered (£4,618) and felt he should have been offered around £9,000 as he says the value of his car has increased since he bought it. Acromas didn't uphold Mr B's complaint and as he remained unhappy, he referred the complaint to our Service for an independent review.

Our Investigator considered the complaint but didn't recommend that it be upheld. As the dispute remains unresolved, it's been referred to me for 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.

Our Service is an alternative, informal dispute resolution service. Although I may not address every point raised as part of this complaint - I have considered them. This isn't intended as a discourtesy to either party – it simply reflects the informal nature of our Service.

The scope of my decision

My role in this complaint is to decide if, on balance, Acromas have offered a settlement that is in line with the policy terms and fairly indemnifies Mr B. It's not our role to tell businesses how much a car is worth, or how they ought to carry out valuations. Instead, it's our role to decide if, on balance, Acromas have fairly acted in line with the policy terms and paid Mr B a fair market value for his car to enable him to purchase a replacement car. More details on the approach I've followed is outlined in more detail here: <https://www.financial-ombudsman.org.uk/consumers/complaints-can-help/insurance/motor-insurance/vehicle-valuations-write-offs>

Following our Investigator's assessment, Mr B requested that he be compensated for the inconvenience and loss of enjoyment as a result of Acromas' actions. I will consider this, but only if I find a failing or error on the part of Acromas when responding to this claim.

My key findings

The policy terms set out that the limit of Indemnity for Acromas in a claim like this is the market value of the car. The policy defines market value as:

“The cost of replacing your vehicle with a vehicle of the same make, model, specification, age, mileage and condition as your vehicle was immediately before the loss or damage your are claiming for.

Where we are unable to estimate the market value of your vehicle we will use the nearest market equivalent for comparison.”

Acromas have said they referred to motor trade guides as well as retail websites to determine a fair value for Mr B’s car. Given the age of Mr B’s car, it’s not unexpected that not all trade guides offered a valuation. Acromas also carried out market research and looked at adverts. This is what I’d have expected to happen. They then took the average of the figures they’d obtained and offered Mr B £4,618 before any deductions, such as the policy excess.

Our approach is that any settlement offered by Acromas needs to be sufficient to indemnify Mr B. The settlement offered is very close to the highest of the available trade guides that we’ve been able to validate. Generally, in the absence of anything sufficiently persuasive that would undermine the settlement, we’d say that settlement offered was fair. But for completeness and because Mr B strongly disputed the settlement offered – with his own adverts, more information on the history of the car and a specialist valuation, our Service also queried further with Acromas their own market research.

Acromas provided a wide range of adverts to support that their settlement offer was fair. Not all of the adverts are directly comparable with Mr B’s car – because of age, mileage or specification differences. Having carefully considered the relevant evidence alongside all the reasons why Mr B has argued the settlement offered is unfair, on balance, I’m satisfied that Acromas have been able to show that their offer of £4,618 fairly indemnifies Mr B in line with the policy terms.

Summary

In the specifics of this complaint, I find that the settlement offered by Acromas fairly indemnifies Mr B, in line with the policy terms.

My decision will disappoint Mr B, but this decision ends our Service’s involvement in trying to informally resolve this dispute between him and Acromas.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 14 November 2025.

Daniel O’Shea
Ombudsman