

The complaint

Mr C complains about how his insurer, Trinity Lane Insurance Company Limited (Trinity) valued his vehicle as a total loss following its theft.

Any reference to Trinity in this decision includes their agents.

What happened

In November 2022 Mr C's vehicle was stolen. At the time, the vehicle was at a garage to have some repairs undertaken (to the head gasket and viscous coupling). Mr C had taken out his classic car motor insurance policy covering the vehicle in October 2022, with a declared value of £30,000 (his vehicle was a classic, registered in 1989 and subsequently subject to restoration). Mr C reported the theft to Trinity and lodged a claim.

Trinity had the vehicle assessed by an independent engineer who provided a valuation of £26,500 (initially) in their report in December 2022. Trinity offered Mr C a settlement based on the valuation, less a deduction of £1,130 for the cost of the repairs due to be carried out and a further deduction of £525 for the policy excess. This left a net settlement offer of £24,845 which made an interim payment in May 2023.

Mr C was unhappy with the valuation and settlement, thinking it undervalued his vehicle considerably. He provided two examples of similar vehicles, in February 2024, of the same age which had been advertised (and in one case sold) at values of £55,000 and £59,000. He requested Trinity have their engineer consider the examples, with a view to increasing their settlement offer. A second engineer reviewed the valuation, concluding in their report (October 2024) the valuation should be increased to £29,000 (an increase of £2,500 but less the same deductions for repairs and policy excess).

Mr C remained unhappy at Trinity's settlement offer, saying his vehicle should be valued at least in the range £35,000 to £40,000. He also didn't think their engineer(s) considered the examples of similar vehicles he provided. So, he complained to Trinity.

Trinity didn't uphold the complaint, maintain their valuation was fair, based on the reports from the independent engineers. The engineer(s) had considered the examples provided by Mr C, but this hadn't changed their view on the valuation. So, Trinity wouldn't be increasing their offer.

Mr C then complained to this Service, unhappy at the valuation of his vehicle. He'd provided examples of vehicles advertised for sale to support his view the market value of his vehicle should be higher, but they hadn't been considered by Trinity's engineers (in their reports) as he'd requested. This had left him without a vehicle and unable to purchase a replacement vehicle with the settlement offer made by Trinity. He thought his vehicle worth at least in the range £35,000 to £40,000.

Our investigator didn't uphold the complaint, concluding Trinity didn't need to take any action. As a Service, our normal approach to vehicle valuations was to look at valuations from recognised industry valuation guides. However, given the age and classic car status of Mr

C's vehicle, this wouldn't be feasible. So, she considered engineer reports, expert opinions or vehicles advertised for sale. She considered the second engineer report to be the more persuasive evidence, given its detail and market research. On the examples provided by Mr C, one was explicitly considered within the second engineer's report, and he had specifically considered the second example. So, she concluded Trinity hadn't acted unfairly in their valuation and settlement offer.

Mr C disagreed with the investigator's view and asked that an Ombudsman review the complaint. He maintained Trinity hadn't valued his vehicle fairly and he accepted the interim payment strictly without prejudice and Trinity remained obligated to pay the full market value of his vehicle as at the time of its theft. The ongoing delay was also contrary to insurance industry standards and caused significant prejudice. He maintained the restoration of his vehicle was a 'nut and bolt' restoration carried out by a friend at a significant discount. Had the work been carried out by someone else, he would have spent close to £60,000 on his vehicle. So, the settlement from Trinity wouldn't enable him to purchase a replacement vehicle and carry out all the work and upgrades to his vehicle.

Our investigator shared the information provided by Mr C to support his view his vehicle had been subject to a 'nut and bolt' restoration with Trinity. Their engineer considered it but maintained his view it didn't constitute a 'nut and bolt' restoration. The investigator maintained her view Trinity acted fairly in their valuation of Mr C's vehicle.

Mr C maintained his disagreement with the investigator's view, so the complaint has been passed to me to consider.

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.

My role here is to decide whether Trinity have acted fairly towards Mr C.

The key issue in Mr C's complaint is the valuation of his vehicle as a total loss, following its theft. He thinks Trinity's valuation is unfair and doesn't reflect the value of his vehicle. Trinity say their valuation is fair, being based on opinion of two independent engineers and market research.

In considering the issue of the valuation of Mr C's vehicle, I've first looked at what the policy terms set out. In cases of total loss, the policy provides for the market value of the vehicle to be paid. Market value is defined in the policy as:

"The cost of replacing your vehicle with one of the same make, model, year, mileage and condition at the time of the loss."

Mr C's vehicle was considered a classic car, and the policy also refers to a vehicle being insured on an agreed-value basis, in which case an endorsement would apply, and the most Trinity would pay would be the value shown on the policy schedule. While the schedule of Mr C's policy includes a value (£30,000) there's no indication the specific endorsement for an agreed-value basis of valuation was included. So, the policy would value the vehicle on market value (the basis used in the engineer's report).

As a Service, our normal approach to vehicle valuations starts by looking at an insurer's valuation, which we generally expect to be based on relevant industry valuation guides. We'd expect an insurer's valuation to be based on the highest valuation guide figure (or higher). If it was, then we are likely to say it's fair, unless there's other evidence to say this is

unfair (or that an insurer can evidence their offer is fair where it's lower than the highest guide value).

However, in this case, given Mr C's vehicle was insured as a classic car and was over 30 years old at the time of its theft, then none of the recognised industry valuation guides would provide valuations for his vehicle. In that case, I've considered other evidence available. This would include engineer reports, expert opinions and similar vehicles advertised for sale.

In the absence of valuation guide figures, Trinity engaged two engineers to produce valuations for Mr C's vehicle, the first shortly after the theft (December 2022) and a second, more comprehensive and detailed report, in October 2024. For his part, Mr C has provided two examples of vehicles of a similar age to his own vehicle, which he says indicate his vehicle valuation should be significantly higher than the valuations in both engineer reports.

Starting with the respective engineer reports, the first report includes a valuation figure of £26,500 and concludes:

"In regard to the value of this vehicle I have taken into consideration a lower-than-average recorded mileage and previous restoration from the information provided. I have also taken into account that the head gasket required replacement along with the cooling system viscous coupling with the deduction in repair costs being taken from the value at an amount of £1,000.00 for the head gasket and £130.00 for the viscous coupling resulting in a settlement of £25,370 less policy excess. I feel that the valuation placed is realistic for this vehicle based on the models for sale on the open market."

This valuation was used by Trinity to support their settlement offer, paid on a provisional basis in May 2023.

The second report, dated October 2024, was prepared by a different engineer. The report includes a detailed history of the vehicle make and model from its introduction to the market. It also includes details of Mr C's specific vehicle, including major restoration work (the report describes it as 'restorative from an aesthetic viewpoint' rather than a 'full "nut and bolt" restoration'). The report notes the engineer has reviewed the invoices associated with the restoration and taken that into account when valuing the vehicle. The report also refers to the market research carried out by the engineer (including outside the UK). The report concludes the vehicle value to be worth in the region of £30,000.

The report lists examples of the vehicle make and model, ranging from £13,000 through vehicles priced up to £39,735. The report lists 21 examples, varying in age, model and other features which the engineer calculates an average asking price of £24,054. The report also includes detailed consideration of each of the examples.

The overall conclusion is as follows:

"After having carried out extensive market research, finding some near identical examples along with some close in specification or condition but of a different year I have taken different approaches in ascertaining the market value. The first approach being to look at the value of a standard vehicle and look at the effect the works would have. This took the value to £29,000..."

I have valued this vehicle at £29,000."

The report also includes the same £1,130 deduction for the cost of repairs.

A key element to Mr C's complaint is that the two examples he provided to Trinity weren't considered by their engineers when valuing his vehicle. As part of their response to our Service's consideration of Mr C's complaint, Trinity provided a response from the second engineer. He said that one of the two examples had a comprehensive (body-off) rebuild totalling £60,000 and was, in effect, a brand-new vehicle (which wasn't the case with Mr C's vehicle). The engineer also said he'd spoken to the dealer advertising the second example vehicle (outside the UK) and was told the vehicle was for sale at £38,500. That example was referred to in the engineer's report and taken into consideration when providing his opinion of the value of Mr C's vehicle.

Another key point of disagreement between Mr C and Trinity (their engineer) is whether the restoration work carried out on Mr C's vehicle constituted a full 'nut and bolt' restoration of his vehicle, equivalent to the restoration carried out on one of the two example vehicles provided by Mr C to support his view that his vehicle should be valued significantly higher. He maintains the restoration work on his vehicle does constitute a full 'nut and bolt' restoration and that it was carried out at a discount by a friend.

I've considered this point and note the second engineer report covers this point in detail (and in Trinity's response to our investigator's view and Mr C's position). As noted above, the engineer concluded the restoration work (from review of the invoices for the work) is primarily aesthetic and doesn't constitute a full 'nut and bolt' restoration. The report (and subsequent response provided to our investigator) is detailed in its consideration and I find it persuasive.

Taking all these points together, I've concluded the second valuation used by Trinity as the basis of their settlement offer is fair and reasonable. So, I don't think they should increase their offer.

Mr C also says Trinity caused an ongoing delay, contrary to insurance industry standards and caused significant prejudice. However, from the timeline of events, Trinity first produced a valuation (from the first engineer) in December 2022 and made an interim payment in May 2023. From there, Mr C (when bringing his complaint to this Service) says he provided his two market examples in February 2024. Trinity maintained their valuation (April 2024) and Mr C subsequently raised his complaint and Trinity provided their final response in October 2024. The second engineer's report is dated October 2024 (and Mr C's complaint to this Service in March 2025).

From this sequence of events, while it stretches over two years, I don't think Trinity can be reasonably held to have caused unnecessary delay. Particularly given my conclusion their valuation was fair and reasonable and that they considered the example vehicles provided by Mr C, in detail.

So, I've concluded Trinity have acted fairly and reasonably towards Mr C, so I won't be asking them to take any further action.

My final decision

For the reasons set out above, my final decision is that I don't uphold Mr C's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 October 2025.

Paul King
Ombudsman