

The complaint

Mr B complains about the amount U K Insurance Limited (UKI) valued his vehicle for after declaring it a total loss following a claim on his motor insurance policy.

What happened

Mr B held a motor insurance policy with UKI. Following an accident in December 2022 he made a claim for the damage caused.

UKI accepted that claim and arranged for Mr B's car to be repaired. Multiple repairs have been carried out on Mr B's car. And Mr B has complained about the progress of the claim multiple times, to both UKI and the Financial Ombudsman Service. The content of these complaints will not be revisited here.

Ultimately, UKI decided not to continue trying to repair Mr B's car and decided to write it off. It said to settle the claim it would write the vehicle off, deeming it a total loss. It said it would pay Mr B what it considered to be the market value of his car at the time of the loss. It valued Mr B's car at £7,738.

Mr B didn't think this was enough and complained to UKI. This is the subject of this complaint.

UKI agreed to increase the valuation to £7,850. UKI also paid Mr B £1,500 compensation for the distress and inconvenience caused throughout the claim.

Mr B still didn't think this was enough to allow him to buy a suitable replacement car. So, he brought his complaint here.

Our Investigator didn't think Mr B's claim should be upheld. She thought UKI's valuation of his car was fair, being in line with the policy and our approach. She also thought the compensation paid was reasonable in the circumstances.

Mr B didn't agree and asked for an Ombudsman's decision. He said the compensation wasn't in dispute. But he maintained UKI's valuation of his car was too low.

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.

Having done so, I'm not upholding it. I understand Mr B has told us this complaint isn't about the compensation offered for the distress and inconvenience caused throughout the claim. So, I don't intend to comment on that further.

This decision, as set out above, will also not focus on or include any detail of what happened in Mr B's previous complaints.

Mr B has told us this complaint relates solely to the value UKI placed on his vehicle. So,

that's what this decision will focus on.

Ultimately though, I'm satisfied the value UKI placed on Mr B's vehicle – £7,850 – is fair and reasonable and in line with the policy documents.

Mr B's policy says the most UKI will pay is the market value of his car. And it defines market value as *"The cost of replacing your car with another of the same make and model, and of a similar age and condition at the time of the accident or loss."*

Valuing a vehicle isn't an exact science. But we expect an insurer to evidence why it's valuation is fair. Here, UKI used four valuation guides, the same four guides often refer to here. Its valuation sits in line with the highest figure returned from those guides.

I'm also satisfied those guides value Mr B's car at the time of the claim in 2022, not at the time it made the decision to write the vehicle off. That's what I'd expect it to do in such a scenario.

I've not been provided anything persuasive to show that Mr B isn't able to purchase a replacement car with the amount UKI valued his at.

So, UKI has used four recognised guides, and offered the highest value returned, and I've not seen any evidence to persuade me that this value isn't sufficient to purchase a replacement. I'm therefore satisfied UKI's valuation of Mr B's vehicle is fair and reasonable and in line with the terms and conditions of the policy.

My final decision

For the reasons set out above, 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 7 January 2026.

Joe Thornley
Ombudsman