

## The complaint

Mrs B has complained about the amount U K Insurance Limited (UKI) offered in settlement of a claim made under her personal motor insurance policy.

Mrs B is being represented on this complaint by her husband, Mr B.

## What happened

The details of the complaint are well known to both parties, so I won't repeat them here again in full detail.

But to briefly summarise, Mrs B took out a personal motor insurance policy in April 2025. The policy is underwritten by UKI.

In June 2025, Mrs B was unfortunately involved in a road traffic accident. The car was considered by UKI as beyond economical repair. It offered Mrs B £10,550 as a settlement.

Unhappy, Mrs B brought the complaint to this service. UKI increased the offer to £10,670 and also offered £100 compensation for the poor service. Our investigator didn't uphold the complaint. She thought UKI had reached its valuation using the same recognised motor industry trade guides our service typically relies on when assessing complaints about motor valuations. She thought both the £10,670 offer and £100 compensation was fair and reasonable.

Mrs B disagreed. So, as no agreement has been reached, the complaint has been passed to me to decide.

## 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 agree with the outcome reached by our investigator. I'll explain why.

Mrs B's policy covers her for the market value of her car, at the time of loss. This is fairly standard across the motor insurance industry.

Market value is defined in the policy on page 5 as:

*'The cost of replacing your car with another of the same make and model, and of a similar age, mileage, and condition at the time of the accident or loss.'*

UKI initially deemed the market value of Mrs B's car to be £10,550. But this was later increased to £10,670 following a review by one of its engineers. UKI says the information it used to reach the final figure of £10,670 came from its engineer and from the recognised motor industry guides for obtaining motor valuations.

Mrs B complains that the valuation placed on her car by UKI is too low. She says she is unable to replace the car with one of a similar make and model for that amount.

Our investigator obtained her own valuations from the motor trade guides our service typically uses when assessing complaints about motor valuations. She used the correct mileage and date of loss when obtaining these valuations, which provided the following market value figures:

- CAP Market Value - £8,095
- Glass's - £10,590
- AutoTrader - £10,688
- Percayso - £10,090

Our service's normal approach, in these types of complaints, considers that a valuation within the range of valuations returned by the trade guides is typically fair. In this particular case, there's a slight difference between the valuation returned by the motor trade guides. So, in order for UKI's valuation to be fair, I would expect it to be around the average of the guides. UKI has offered £10,670 which is within the highest range of the figures returned. I'm satisfied therefore £10,670 is fair and reasonable.

I've thought carefully about the adverts Mrs B has provided showing a valuation that is higher than the amount offered by UKI. However, I'm mindful that these cars have lower mileage and slightly different specifications than Mrs B's car. All of these will likely have an impact on the advertised price, and which wouldn't necessarily be in line with the policy definition of '*market value*.'

I should also point out that our service typically finds the motor trade guides to be more persuasive than sales adverts because advertised prices are often the starting point of a negotiation and are what the seller would like to achieve, rather than the final price the vehicle actually sells for. So, based on the above, I don't find the adverts provided by Mrs B to be more persuasive than the motor trade guides.

I can see UKI offered £100 compensation. It said it should have offered the higher valuation sooner. I think this is fair and reasonable.

Based on everything I've seen, I'm satisfied that UKI's valuation is fair and in line with the policy terms and conditions. And I think its offer of compensation is fair based on what's happened. It follows that I won't be directing UKI to take any further action.

### **My final decision**

For the reasons explained above, I don't uphold Mrs B's complaint about U K Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 29 October 2025.

Nimisha Radia  
**Ombudsman**