

The complaint

Mr S has complained about Aviva Insurance Limited. He isn't happy about the valuation of his car after it was stolen and the poor service he received after he made a claim under his motor insurance policy.

What happened

Mr S made a claim under his motor insurance policy after his car was stolen. When Aviva looked to settle the claim Mr S wasn't happy with the valuation of his car and about the poor service he received.

Aviva looked to value Mr S' car after it was stolen by looking at a number of the various motor valuation guides in order to gauge the market value of his car. It initially offered Mr S just over £8,000 which it eventually increased to £9,555 (less his policy excess) which was towards the higher end of the valuations it found in the guides. When Mr S complained to Aviva about this, as he believed his car was worth a few hundred pound more, it maintained its position that its offer was a fair market value. But it did offer £300 compensation in acknowledgement of its poor service, delay settling, and how it dealt with the claim generally. But Mr S remained unhappy and complained to this Service.

Our Investigator looked into things for Mr S, but he didn't uphold his complaint. Although he had some sympathy for the position Mr S found himself in after his vehicle was stolen but he thought it had offered a fair market value for his vehicle. And, although he accepted that Mr S had been treated poorly, he thought Aviva's offer of £300 compensation in acknowledgement of its errors and poor service was reasonable. As Mr S didn't agree the matter has been passed to me for review.

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 feel that Aviva has offered a fair market value of Mr S' car and so I'm not upholding this complaint. I know this will come as a disappointment, but I'll explain why.

This Service has an approach to valuation cases like Mr S' which has evolved in recent times. When looking at the valuation placed on a car by an insurance company, I consider the approach it has adopted. And decide whether the valuation is fair in all the circumstances.

It isn't the role of this Service to come to an exact valuation of a consumer's car. But we do look to see if insurers have acted reasonably in looking to offer a fair market value of the car in line with the policy terms and conditions. I pay attention to the various motor valuation guides used for valuing cars. And I look at any other evidence provided by both sides, such as advertisements or details about the condition of the car.

Valuing second-hand cars is far from an exact science and it isn't my role to value Mr S' car. I'm just looking to see if Aviva has acted reasonably in providing a fair market value of his car and, overall, I think it has.

Ultimately, the policy requires Aviva to compensate the policyholder with the market value of his car. And defines market value as *'The cost of replacing the Insured Car with one of the same make, model, age, mileage, specification and condition at the date of accident or loss'*.

In assessing what constitutes a fair value we generally expect insurers to review relevant guides to motor valuations – which is also our starting point for most valuation complaints. And I've looked at the available guides to assess whether Aviva's offer is fair and reasonable. And having reviewed the available valuation guides, which have produced values of £9,275, £9,600, £9,586 and £9,561 respectively, I think Aviva's eventual offer feels fair as it sits towards the highest of the valuations produced.

I know Mr S has suggested that his car is worth more, but I've looked at the various adverts he provided to support his position, but they are wide varying price wise - some are generally in line with the guides although some are higher. However, the cars aren't generally like for like and adverts are often open to negotiation down, so I don't find these persuasive. And overall, I haven't seen sufficient evidence to persuade me that the guides, which take into account a wide range of data and information when forming the market value, are not a fair reflection of the value of his car. And given Aviva has eventually offered a value in line with the highest guide I think this feels fair.

Finally, I agree that Mr S has faced a fair degree of stress and inconvenience here in waiting for around a month to get the claim settled which meant he had to take taxis to transport his family around and was inconvenienced generally as he was without a car. However, there is always a fair degree of stress and inconvenience caused when having to make an insurance claim, especially after the theft of a car when cover isn't provided for a hire car. Additionally, there clearly were delays in getting the required information to settle Mr S' claim that Aviva is responsible for, such as loss of information from Mr S and difficulty getting details from his broker. But Aviva has offered £300 in compensation for the stress, delay and inconvenience caused here and this is in line with awards this Service ordinarily makes so I'm not asking it to do anything more here.

So, although I know this will be disappointing to Mr S but I'm not upholding this complaint. As Aviva has offered an amount that is in line with the car valuation guides and is close to the value Mr S wants for his car, I cannot say it has acted unreasonably. And although I accept that Mr S' claim could have been dealt with better I think its offer of £300 compensation for its errors feels fair in the circumstances.

My final decision

It follows, for the reasons given above, that I'm not upholding this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 November 2025.

Colin Keegan
Ombudsman