

The complaint

Mr W complains that esure Insurance Limited (“esure”) didn’t pay enough for his car when he made a claim under his car insurance policy.

What happened

Mr W had a motor insurance policy with esure covering his electric vehicle.

Damage happened to the charging port while the car was being charged. He contacted esure and made a claim in February 2024.

esure looked into it and accepted that his car would be written off.

It valued the car at £28,000, which was close to the figure Mr W had paid for his car when he’d bought it a few months beforehand. The claim was settled in August 2024.

Mr W wasn’t happy about this valuation and he complained, but esure wouldn’t increase its valuation.

Mr W brought his complaint to this service. He said he had to pay an additional £7,000 because esure’s valuation wasn’t high enough. He provided evidence that the car’s value had increased between when he’d made the claim and when esure settled it.

Our investigator looked into his complaint and thought it wouldn’t be upheld. He said he thought esure’s offer was fair and substantially higher than the valuation guide approach of this service.

Mr W didn’t agree with the view. He asked that his complaint was reviewed by an ombudsman, so it’s been passed to me to make a 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.

It’s important I start by saying that Mr W has also complained about other aspects of his claim journey with esure. An earlier complaint reached this service and was decided by an ombudsman. That complaint was about the liability for the damage (which esure felt it was unable to pursue against the charger operator) being recorded as ‘fault’ for Mr W. The ombudsman said they thought esure’s offer of £200 compensation and paying about £1,000 of his uninsured losses was fair.

This complaint will only deal with matters around the car’s valuation. I’m not going to refer to all the points made. I mean no disrespect in doing this, which is in line with this service’s informal approach.

esure’s policy wording says it will settle Mr W’s claim by using his car’s market value, which is defined as:

“Market value: The market value is the amount you could reasonably have expected to sell your car for on the open market immediately before your accident or loss. Our assessment of the value is based on cars of the same make and model and of a similar age, condition and mileage at the time of accident or loss. This value is based on research from motor trade guides including: [names]. This may not be the price you paid when you purchased the car.”

The approach of this service, and esure’s policy wording, is to use valuation guides to arrive at a valuation for the car. The following values are based on a car with the same specification and mileage as Mr W’s as at the time of its loss:

Guide A £22,250

Guide B £22,919

Guide C £24,750

Guide D £21,104

When this service uses valuation guides as the basis for checking a vehicle’s valuation, we would say that an insurance company should pay the upper end of the values, unless it has evidence why that valuation is incorrect.

esure settled Mr W’s claim at a market value of £28,000, which is well above the highest valuation guide figure. I think this value is fair.

In his response to the view, Mr W also pointed out that this service’s approach using the valuation guides didn’t take into account his car’s *“...condition, service history, or unique specifications, which were clearly documented in [his] claim. The tools referenced provide general market estimates, but they cannot capture all aspects of an individual vehicle that affect its market value.”*

He said he’s provided: *“Independent research and listings for similar vehicles indicate a materially higher market value than that suggested by the valuation tools. [He has] previously provided these examples, which appear not to have been weighted sufficiently in [the view].”*

This point is particularly important as we can use adverts as a potential source of information when one of the parties disputes the valuation provided by the valuation guides.

I asked Mr W to provide the evidence of why his car should have been valued higher than the guides, and examples of those other listings. He replied to say that it would be too difficult and time consuming for him to locate the examples.

What Mr W did supply was some evidence from a car information website that he says shows the value of his car would have increased between February and August 2024. He commented that he’s content for me to make a decision based on this information.

Mr W has said that the value of his car increased over the time it took esure to settle his claim, which was from February to August 2024. He says there was a 10% price increase during this period. But even if I applied 10% to the highest valuation guide figure, the end result would still be less than the £28,000 fairly paid by esure.

In any event, I see no reason why this increase would be applicable to any other figure mentioned above.

I appreciate Mr W's point that he said he had to pay an additional £7,000 himself to afford the replacement car, but I think esure's valuation was fair, reasonable and in line with the policy wording. So, I'm not upholding this complaint and I'm not going to ask esure to do anything more.

My final decision

It's my final decision that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 March 2026.

Richard Sowden
Ombudsman