

## The complaint

Mr J complains about the amount Admiral Insurance (Gibraltar) Limited (“Admiral”) valued his car for when he made a claim under his motor insurance policy.

## What happened

Mr J had a motor insurance policy with Admiral covering his car.

He was involved in an incident causing damage to it. He contacted Admiral and made a claim. Admiral assessed his car as being beyond economical repair and declared it a write-off. It said it would pay £16,120.67 to settle the claim, less the excess. Mr J complained as he thought his car was worth about £17,000.

Admiral maintained its valuation. Mr J remained unhappy and brought his complaint to this service.

Our investigator looked into his complaint and thought it would be upheld. He thought Admiral should settle Mr J’s claim at a value of £16,600.

Admiral didn’t agree with the view but Mr J did.

Because Admiral didn’t agree, this complaint has been passed to me for a final 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.

Having read the file of evidence, I’m upholding this complaint.

This service doesn’t provide valuations for vehicles, but looks to whether the insurer’s offer is reasonable.

Our approach is to use valuation guides to establish whether an offer is fair.

Admiral’s policy wording says it will pay:

*“The cost of replacing your vehicle; with one of a similar make, model, year, mileage and condition based on market prices immediately before the loss happened. Use of the term ‘market’ refers to where your vehicle was purchased. This value is based on research from industry recognised motor trade guides.”*

I’ve done some research into his car and I’ve found these values for the month it was damaged, which are based on a vehicle with the same specification and mileage:

Guide A £16,600

Guide B £15,170

Guide C £16,592

Guide D £16,203

It's this service's approach that, if an insurer wants to settle a claim lower than the highest trade guide valuation, then it should provide evidence why.

Admiral didn't provide further evidence. It said it regarded its valuation as being with a 'tolerance' of the highest valuation guide. It reached its valuation by using the average of three valuation guides.

I'll also say Mr J provided a copy of an advert for a similar car to his own and at a higher price nearing £17,000, but it showed some key difference including being a more recent numberplate and different mileage, so I don't find it persuasive.

Without further persuasive evidence about the car's value from either party, I think Admiral now needs to settle Mr J's claim at a market value aligned to the highest trade guide, which is £16,600.

It's my understanding that an interim payment has been made, and this can be deducted. Admiral also needs to pay 8% simple interest on the balancing amount, from the date the interim payment was made to the date it makes this payment.

### **My final decision**

My final decision is that I uphold this complaint. I direct Admiral Insurance (Gibraltar) Limited to settle Mr J's claim at a market value of £16,600 subject to the remaining terms and conditions of the policy. It's my understanding that an interim payment has already been made, so this can be deducted. Interest at 8% simple should be added to the balancing figure, from the date Admiral made the initial settlement, to the date it makes this payment.

If Admiral Insurance (Gibraltar) Limited considers that it's required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr J how much it's taken off. It should also give him a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 19 March 2026.

Richard Sowden  
**Ombudsman**