

## The complaint

Mr B complains esure Insurance Limited (esure) unfairly settled his claim on his motor insurance policy after his car was classed as a total loss.

esure are the underwriters of this policy i.e. the insurer. Part of this complaint concerns the actions of the intermediary. As esure have accepted it is accountable for the actions of the intermediary, in my decision, any reference to esure includes the actions of the intermediary.

## What happened

Mr B made a claim on his motor insurance policy after his car was stolen. esure paid him a market value settlement offer of £3,920.

Mr B was not happy with the settlement amount. He said the true market value of his car at the time of loss was £4,800. He said esure's valuation of his car wasn't fair, accurate, or reflective of the real market at the time of loss and it had relied exclusively on automated trade valuation tools.

Because Mr B was not happy with esure, he brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and said they were satisfied that esure's offer – sitting towards the higher end of the valuations produced by the guides, was positioned as we'd expect.

As Mr B is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

## 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.

In this case I have considered whether esure acted fairly and reasonably in reaching its decision as to the level of settlement offered to Mr B following the theft of his car.

My role is not to provide an exact valuation but to make a judgment as to whether the offer of settlement is fair.

I firstly looked at the details within Mr B's motor insurance policy with esure. In the terms and conditions of the policy. It says;

*“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: Glass's, Parkers, Cazana and CAP. This may not be the price you paid when you bought the car”.*

Although this service doesn't value vehicles, we do check that the insurer's valuation is fair and reasonable and in line with the terms and conditions of the policy. We use valuation guides to do this, and they're based on nationwide research of likely selling prices and take the car's specifications, mileage etc into account.

This service doesn't consider the question of market value to be an exact science, however our general approach is that the valuations given in the main motor valuation guides provide the most persuasive and consistent evidence. These guides are based on extensive nationwide research of likely (but not actual) selling prices.

Prices of used cars can change on a regular basis. This could be an increase or decrease. This is the reason why we take the approach that if esure can demonstrate, that it used a fair process to value the car then we wouldn't interfere with the offer it has made.

I looked at the information esure used when calculating the market value for Mr B's car. I saw it obtained valuations from three of the main valuation guides. In this case esure initially valued the car at £3,213 which was the average of the three valuations. It then increased this to £3,920 which was the highest of the valuations it had obtained.

I looked at the valuations our investigator obtained. They also used three of the main valuation guides. The highest of these valuations was £3,920 and the lowest was £2,875. They also obtained evidence of similar cars for sale at a lower advertised price, but none were directly comparable.

I understand Mr B thinks the valuation should be £4,800. He said the car had recently had an as-new convertible roof fitted, the model of car had a desirable trim and leather interior and it had a strong service history. I recognise Mr B has looked after his car and maintained it to a good standard. However money spent on maintenance generally keeps the vehicle in retail condition – rather than increasing its value. If money is not spent on maintaining a vehicle, it may be valued at less than the guide price. I can confirm the valuations were obtained for Mr B's specific model of car, so take into account the specification of the car.

I saw Mr B carried out his own market research and provided copies of similar cars advertised for sale at a higher price than the market value settlement paid. While I acknowledge there were similar cars for sale for more than the valuation, I also saw adverts for similar cars for sale for less than the valuation. Because I have seen examples of similar cars advertised for sale at both a higher and lower price than the valuation guides, I am not persuaded this should change the valuation provided.

Based on the valuations and advertisements I have seen, I am satisfied the highest valuation obtained is in line with the list of advertised sales prices and it is a fair market value settlement offer. The valuations have shown a range of values and I think going by the highest ensures Mr B has received a fair offer, allowing him to replace his car with one of a similar age, condition and mileage at the time of loss.

Therefore, although I recognise Mr B was a victim of a crime, and I understand he will be disappointed, however I don't uphold his complaint and I don't require esure to increase its offer or do anything further in this case.

### **My final decision**

For the reasons I have given 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 2 March 2026.

Sally-Ann Harding  
**Ombudsman**