

complaint

Ms H is unhappy with the valuation Admiral Insurance Company Limited offered for her car after she made a claim under her motor insurance policy.

background

Ms H was involved in an accident which wasn't her fault. Her car was written off.

Admiral valued the car at £1855 and offered her that as the settlement amount. But Ms H was unhappy because she said that wasn't enough for her to buy a like-for-like car as a replacement.

She brought her complaint to us. The adjudicator felt the valuation was fair. He pointed out that it was at the higher end of the motor trade guides' valuations, and that no deductions had been made. Ms H didn't accept that. She provided advertisements for similar cars and also said she had spoken with several motor dealers, who indicated the value would be higher than Admiral had offered.

She asked for an ombudsman's decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can understand Ms H's disappointment that the amount offered by Admiral mightn't buy her the replacement car she wants. I also acknowledge the information she's provided about other similar advertised cars, and what she's heard from motor dealers, and I have taken that into account. But, advertised and asking prices aren't necessarily persuasive evidence that Admiral's valuation was unfair. That's because they may be artificially high to allow a margin for negotiation.

So while we will look at any evidence provided by the parties in deciding what a fair value is, we also refer to independent motor trade guides for valuing second-hand cars. These are based on actual nationwide sales prices.

In this case, the higher of the relevant motor trade guide figures we've seen is £1855, which is what was offered by Admiral. Admiral didn't make any further deductions from that amount. In this case, I feel it's appropriate to place more weight on the evidence of the motor trade guides. That means I'm satisfied that this is a reasonable offer and that it reflects fair market value for the car.

my final decision

For the reasons I've given, 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 Ms H to accept or reject my decision before 9 November 2015.

Helen Moya
ombudsman