

## **complaint**

Mr B and Ms B complain about the valuation Admiral Insurance Company Limited put on Ms B's car after it was declared a total loss, and that it took five weeks to make an offer.

## **background**

Ms B had motor insurance with Admiral and her son, Mr B, was a named driver on the insurance. They made a claim on the insurance when Mr B hit a barrier, causing damage to their car. Admiral arranged for the car to be taken to its approved repairer, but it was found to be a total loss.

Admiral offered Ms B £19,243 for her car's market value. But she thought its value should be higher. Admiral reviewed the offer and increased it to £20,700.

Our investigator thought Admiral's revised valuation was fair and was reached in a reasonable amount of time. She looked at the values the trade guides placed on the model of car and took into account its age and mileage. She said Admiral's offer was at the top-end of the ranges of these values. Although it took time to negotiate the settlement, the investigator didn't think Admiral caused any unreasonable delays.

Mr B didn't agree. He didn't think the valuation allowed for the added extras on the car such as the upgraded exhaust and heated seats. He asked for the complaint to be reviewed and supplied copies of adverts of cars for sale that were similar.

## **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 do appreciate that Mr B has also complained about the administration of the insurance when Ms B added the replacement car onto her policy, and the amounts she was charged. But that has been dealt with as a separate complaint, and doesn't form part of my decision here.

In considering what represents a fair value for a car, we refer to the motor trade guides which give values based upon the actual price a second-hand car has been sold for. I do appreciate that Mr B has seen cars with similar specifications advertised for sale at a higher price, but often vehicles are sold for less than the advertised price and a number of factors specific to the actual car can affect its price.

We think the trade guides let us see the fair value of a car as they're based on national research of the actual selling process. Specifying the vehicle registration, model and mileage we can use the guides to carry out a detailed search. The value they give is an average and takes into account cars selling at higher and lower prices.

I've looked at the values Admiral got using these guides together with the investigator's research and its offer is in line with these values. And looking at the timescales for making its initial offer, and then negotiating the settlement, I don't think the time Admiral took was unreasonable in the circumstances here.

**my final decision**

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Ms B to accept or reject my decision before 20 February 2017.

Cathy Bovan  
**ombudsman**