

## **complaint**

Mr M is the director of company V and complained that Ageas Insurance Limited made a mistake with how they valued the van owned by company V after it was stolen, under its commercial vehicle insurance policy. I shall refer to Mr M throughout my decision instead of company V.

## **background**

Mr M bought his van in March 2011 for £21,774. When it was stolen in May 2015 it had done around 36,000 miles and had recently passed its MOT. Mr M told Ageas that he thought his van should be valued at £15,000 due to its registration date and mileage. Ageas said at the time it was stolen, the van's market value was £11,000, which meant that Mr M would receive £10,900 after they had deducted the £100 excess. Mr M disagreed, so Ageas asked their engineer for a view. Ageas' engineer thought they had calculated the market value of the van correctly and didn't recommend any increase.

Mr M remained unhappy and brought the complaint to us. The adjudicator told Mr M that he didn't think this complaint should be upheld. He was of the view that the market value of the van calculated by Ageas was fair and reasonable. Mr M disagreed and so his complaint has been passed to me to decide.

## **my findings**

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

We don't value vehicles but do look to ensure the insurer's valuation is reasonable. I do this by looking at the motor trades guides, which are based on nationwide research and actual sales figures. I think these are most persuasive as they show what the vehicles were sold for instead of their asking prices. I do understand that adverts may show a higher asking price for a similar van but I don't find such adverts as persuasive as the trade guides.

Ageas told Mr M they thought the market value of the van was £11,000. I have looked at two trade guides to consider whether this amount is fair and reasonable. Glass's guide shows a market value of £9,466 and CAP guide shows a market value of £10,500. The guides take account of the age and mileage of a vehicle so I think it's reasonable for Ageas to base their calculations on the prices in the guides. As Ageas has offered to pay Mr M more for the van than the guides suggest, I don't think they have done anything wrong.

## **my final decision**

For the reasons I've discussed above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M on behalf of company V to accept or reject my decision before 7 December 2015.

Sarann Taylor  
**ombudsman**