

The complaint

Mr M complains about the value U K Insurance Limited trading as Churchill ("UKI") gave him for his car following a claim under his motor insurance policy.

What happened

Mr M had a motor insurance policy with UKI covering his car.

His car was damaged in a collision which was the fault of a third party.

UKI assessed his car as being beyond economic repair. It said it would declare it a write-off and assessed its market value as £5,283.

Mr M didn't agree with this valuation, and he complained to UKI.

UKI said it'd used trade guides to arrive at a value for the car and it said it wouldn't increase this amount.

Mr M remained unhappy with UKI's valuation and brought his complaint to this service. He asked for a value of £6,995 for his car which is the value he told UKI it was worth when he insured it.

Our investigator looked into his complaint and didn't think it would be upheld. He looked at the trade guides and said the amount offered by UKI was in line with the approach taken by this service.

Mr M didn't agree with the view and asks that his complaint was reviewed by an ombudsman, so it 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.

In his approach to this service, Mr M makes some additional points of complaint about the way UKI handled his claim. I can't see that Mr M has raised these as complaint points with UKI, or that it's issued him with its final response. So I'm not able to consider them further here. If he wishes to make a further complaint about those points then he is free to do so with UKI, and bring his complaint to this service in due course if he remains unhappy.

Having read the file of evidence about the valuation of Mr M's car, I'm not going to uphold this complaint. I appreciate this will come as a disappointment to him and I'll explain why.

I've said above about how UKI arrived at the valuation of Mr M's car.

Its approach fits with this service's approach to car valuations. We don't provide valuations for vehicles, but look to whether the insurer's offer is reasonable.

I've done research into Mr M's car and I've found these values, provided by different trade guides, for the month his car was damaged, which are based on a vehicle with the same specification and mileage:

Company A: £4,850

Company B: £5,681

Company C: £5,381

Company D: £6,069

I've looked at UKI's valuation of his car and I can see it has offered him a value in the range of values listed above. We'd normally agree the insurer's valuation is fair if it is in the range of the guides.

I can see Mr M has provided evidence that the value he's been offered doesn't represent the market value of his car, but what he's sent shows a different mileage and year. Both of these are factors in arriving at the market value of a particular car, and the final sold price is often different to the asking price.

Looking at the evidence I've been provided, I think UKI's offer of £5,283 for his car value, and the approach it has taken, is fair and reasonable.

My final decision

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 Mr M to accept or reject my decision before 10 November 2023.

Richard Sowden
Ombudsman