

complaint

Mr S complains that Zenith Insurance plc mishandled his claim on a motorcycle insurance policy.

background

Someone took Mr S's bike and he did not get it back. After he made a claim for its theft, Zenith offered £535, less the policy excess. Mr S complained that his bike was worth at least £900.

The adjudicator did not recommend that the complaint should be upheld. She concluded that Zenith's valuation was in line with the market value of the motorbike immediately before the loss.

Mr S disagrees with the adjudicator's opinion. He says, in summary, that his bike was worth more.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Our approach to valuation disputes is to look at whether the firm's offer is fair and, if not, to require it to provide a settlement figure based on what we consider to be a fair value. We decide what constitutes a fair value by reference to the motor trade guides for valuing second-hand vehicles and any evidence submitted by the parties.

I place more weight on trade guides as they are based on actual selling prices. I place less weight on advertisements for similar vehicles as vehicles do not normally sell for the price at which they are advertised.

The condition of each vehicle is also an important factor to consider.

Two motor trade guides contain valuations for a machine like Mr S's. The valuations are:

CAP	£525
Glass's	£560

So Zenith's valuation is within the range of the valuations in the trade guides. Therefore I do not think it would be fair and reasonable to order Zenith to increase its offer or to make any other form of redress to Mr S.

my final decision

For the reasons I have explained, my final decision is that I do not uphold this complaint. I make no award against Zenith Insurance plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to let me know whether he accepts or rejects my decision before 29 June 2015.

Christopher Gilbert
ombudsman