

complaint

Mr H has complained about Markerstudy Insurance Company Limited. He isn't happy about the valuation placed on his car following a claim on his motor insurance policy.

background

Mr H informed Markerstudy in January 2017 that his motorcycle had been stolen. Although the motorcycle was recovered, it was judged a "total loss".

Markerstudy offered Mr H £500 as a valuation of the motorcycle – less his excess fee for making a claim. Mr H wasn't happy with the valuation and made a complaint. Markerstudy looked into the complaint and agreed to increase its offer to £530. But Mr H didn't accept this and referred his complaint to our service.

An investigator looked into Mr H's complaint. He felt that Markerstudy had acted fairly. It had followed the terms of the policy when reaching its valuation according to market guides. But he felt that in this case it would be fairer to also take into account other valuation sources. And as a result, Markerstudy agreed to increase its offer to £650.

As Mr H didn't agree his complaint's been passed to me for review.

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 why Mr H isn't happy with the valuation he's received. He's said that he doesn't think the value should've decreased so much in the eight months that he'd owned the motorcycle.

The policy terms we've been given say the most that will be paid for loss as a result of theft is, *"the market value of the motorcycle immediately before the loss"*. And "market value" is *"assessed by an automotive engineer in conjunction with the published trade guides at the time of loss"*.

When looking into this sort of complaint, we usually expect an insurer to look at a number of trade guides to reach a fair valuation. We wouldn't normally expect it to look at adverts as bikes don't generally sell for their advertised price.

But in this case, there's limited trade guide information for the make and model of Mr H's motorcycle. So I think it's right to ask Markerstudy to think about other sources to make sure the valuation's fair.

Markerstudy increased its original offer – following our investigator's suggestion. It says it's taken into account all the information our investigator gave it. But Markerstudy thinks Mr H's bike was likely to have gone down in value quite quickly. So it thinks the offer made is fair.

I know Mr H doesn't agree that the value of his motorcycle should've gone down by so much. And he's also unhappy because after he's paid his excess the amount he'll receive will be even less. But based on the information we've been given, I think what Markerstudy's now agreed to pay is fair. So I don't think it needs to increase its offer.

my final decision

I think the offer made by Markerstudy Insurance Company Limited is fair. So I don't think it needs to increase this offer.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 24 April 2017.

Adam Williams
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