

The complaint

Mr S has complained about AXA Insurance UK Plc trading as Swiftcover. He isn't happy about the increase in his motor insurance premium when he moved address.

What happened

Mr S moved address, and he was surprised to find out that his premium increased when he expected it to go down, especially as he was no longer parking his car on the street. When he complained to AXA about this it explained it had charged a fair premium in line with the general risk posed. But as Mr S remained unhappy, he complained to this Service.

Our Investigator looked into things for Mr S, but she didn't uphold his complaint. She asked AXA for details around Mr S' increase in premium and although she sympathised with Mr S, as he faced an increase in premium, she didn't think AXA had done anything wrong or treated him any differently to any other consumer.

As Mr S didn't agree the matter has been passed to me for review.

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.

Having done so, and despite my natural sympathy for the position Mr S has found himself in as he hoped his motor insurance would be less when he moved address, especially as his car was now being parked in an underground car park as opposed to on the street. However, there are many factors that impact underwriting risk, and in turn pricing, and I haven't seen anything to suggest AXA has acted unfairly here. I'll explain why.

Although I can understand why Mr S feels his premium should be less than it was at his previous address, because his car is now kept in a more secure location overnight, but that isn't the only risk factor that changed here. As Mr S is aware I can't divulge commercially sensitive information, but I have been provided with various pieces of information and data from AXA which show a number of factors that have impacted underwriting and pricing here. Indeed, I can see that the off-street parking aspect has reduced Mr S' risk solely on this point. However, his overall policy premium has increased because of other impacting risk factors.

Insurers constantly update how they rate the risk of consumers. And their rates continually change. AXA has provided me with confidential business sensitive information to explain how Mr S' price increase was calculated. I'm afraid I can't share that with Mr S, but I wish to reassure him that I've checked it carefully. I'm satisfied the price Mr S was quoted has been calculated correctly and all of AXA customers in a similar position to Mr S will have been charged a similar premium.

Ultimately, Mr S has moved address and postcode, and AXA has shown that the normal rating factors that affect risk and premium costs have impacted his premium here. As I've outlined insurers use many factors in rating policies and AXA has shown that the risk at the new address is higher and has in fact highlighted that the risk from damage caused by not parking on the road has reduced at the new address. And it has shown that Mr S' premium would have increased even further if he was parking on the street at his new address so Mr

S' main point in bringing his complaint to this Service hasn't been a factor in increasing his premium.

So, although I know this will come as a disappointment to Mr S, I'm not upholding his complaint. I've seen sufficient evidence from AXA that his change in address has contributed to a higher premium given the increased risk associated with the new area and postcode. I know Mr S would like copies of the information and data AXA has used but none of this is in the public domain and as it is commercially sensitive, I can't share this with him.

My final decision

It follows, for the reasons given above, that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 31 July 2025.

Colin Keegan
Ombudsman