

## **The complaint**

Mr H and Mrs H complain that Royal & Sun Alliance Insurance Limited ('RSA') increased their insurance policy premiums, despite making no claims on the policy.

Mr H has acted as the main representative during the claim and complaint process. So, for ease of reference, I will refer to any actions taken, or comments made, as those of "Mr H" throughout this decision.

## **What happened**

Mr H held a home insurance policy with RSA. He said his premiums doubled on his most recent renewal. Mr H felt this was unfair and complained to RSA, asking them to explain why his premiums had increased so much.

RSA considered the complaint but didn't uphold it. They said there had been a change in their underwriting rates based on things like changes to claims, flood and weather and the increased costs of materials and labour which had resulted in the increased premiums on Mr H's renewal. But Mr H didn't think this was a sufficient reason for an increase. He said that there had been no fundamental change to the level of risk RSA were covering so he felt any increase was unfair. He asked RSA to provide examples, but they said this was commercially sensitive information.

Unhappy with RSA's reply to this complaint, he brought it to this Service and said the increase was unfair because he couldn't take out cover elsewhere as he had a historic subsidence claim recorded. An Investigator considered the complaint but didn't recommend it be upheld. She explained that it wasn't for this Service to tell insurers how much they should charge for cover. But we could consider whether an insurer had fairly calculated a customer's premium. And the Investigator said RSA had evidenced that the premium quoted was correctly calculated and was based on how they viewed the risk at the time the quote was provided. So, he thought they had demonstrated why there was a fair increase in Mr H's premiums.

Mr H for an Ombudsman to consider the complaint – so, it's been passed to me to decide.

## **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, I've reached the same overall outcome to the Investigator, and I don't uphold this complaint.

I acknowledge Mr H has concerns about his ability to source alternative cover due to his historic subsidence issues. I take these on board, but the specific role of this Service is to consider whether RSA have treated Mr H fairly in regard to his complaint; and if not, what they need to do to put things right. This is what I've reviewed as part of this decision.

As the Investigator explained previously, it's not this Service's role to dictate to an insurer what they should charge customers for an insurance policy. This is a decision for them to make based on established underwriting criteria. So, the price they charge, and the methods used to calculate premiums, are a commercial decision for them to make. A wide range of factors are considered, and each insurer will have their own approach and appetite for taking on risk.

Since the complaint came to this Service, RSA has provided their underwriting information to show how they calculated Mr H's renewal premium. This information is considered commercially sensitive, so I can't share it. However, I've considered it carefully and I'm satisfied it shows an established process when calculating Mr H's premium which would result in an increase at renewal. And I'm satisfied it has been done in a way which is consistent with other customers generally. I therefore can't reasonably conclude that RSA applied their pricing strategy in an unfair manner.

I do appreciate Mr H's concerns over an increase in his premiums when he's not made any claims. And I understand that it may sound unfair that an insurer can choose to set the price however they like. I've also considered his submissions around other insurers and whether they have increased their premiums by as much as RSA. However, as I explained earlier, I can only consider whether RSA have treated Mr H fairly in regard to his complaint. I can't therefore consider his neighbour's insurance policies or consider whether the increases they experienced are comparable.

Ultimately, insurers aren't expected to divulge underwriting information either to their customers, or competitors. And I'm ultimately satisfied that RSA providing the information in response to his complaint in the way they did was fair. While I sincerely appreciate the specific concerns Mr H has about not being able to obtain insurance elsewhere – I haven't seen any evidence which supports Mr H's submission that RSA have increased his premiums in order to exploit this position. So, while I recognise this is not the answer Mr H had hoped for, I don't find that RSA acted unfairly when applying their pricing structure to his most recent renewal.

### **My final decision**

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 14 August 2025.

Stephen Howard  
**Ombudsman**