

The complaint

Mr C has complained that his car insurance premium increased after AA Underwriting Insurance Company Limited (AAUICL) added a non-fault claim to his policy.

What happened

Mr C's car was damaged by a fallen tree in April 2024. AAUICL has recorded the incident as a non-fault incident as it was able to recover the claim costs from a third party.

Mr C believes if the incident has been recorded as a non fault incident, his premium shouldn't have increased.

One of our Investigators explained that insurers may apply a rating to a premium even if an incident is recorded as a non fault incident. She explained that while we cannot tell an insurer what to charge, we can check if it has treated a customer as it would any other customer in the same position. Based on the information provided by AAUICL, which she explained is commercially sensitive, she was satisfied AAUICL had acted reasonably.

Mr C doesn't agree and wants an ombudsman 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 don't intend to uphold it.

Insurers set their pricing in line with their risk appetite – and this can change frequently. Their rates can also change frequently, sometimes daily.

It isn't for this service to tell an insurer what price it charges or what rating(s) it applies. But we can ask an insurer to provide its underwriting and pricing information to us to show it has treated a customer fairly. This information is commercially sensitive and so we cannot share it with customers.

It is not unusual or uncommon for an insurer to apply a rating for non-fault incidents. So it isn't unusual for the non fault incident which was added to Mr C's policy to have resulted in an increase in premium. Mr C says his premium increased by £99.50. Mr C wants an explanation as to why his premium has increased and believes he should receive a refund.

As the Investigator explained, an insurer's pricing data is commercially sensitive. We see a wide range in the price insurers quote on comparison websites for the same level of cover because they price differently.

Although we cannot share an insurer's pricing data, we can ask an insurer to share it with us – to see if it has treated a customer the same as any other customer in the same circumstances. And having considered the information provided, I'm satisfied that AAUICL has done this.

I understand Mr C will be disappointed with my decision. But I cannot give him what he wants. Having looked at whether AAUICL has treated Mr C fairly, I find it has. So this means I'm not asking it to do any more.

My final decision

For the reasons I've given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 June 2025.

Geraldine Newbold
Ombudsman