

## **The complaint**

Mrs M and Mr P complain about esure Insurance Limited ("EIL") and the increase to their premium following a claim made on their home insurance policy.

Mr P 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, by either Mrs M or Mr P as "Mr P" where appropriate throughout the decision.

## **What happened**

The claim and complaint circumstances are well known to both parties. So, I don't intend to list them chronologically in detail. But to summarise, Mr P held a home insurance policy, underwritten by EIL, when he discovered an escape of water at his home. Initially, Mr P contacted his home emergency policy insurer, who I'll refer to as "A", after discovering the leak before using his own plumber to fix the issue. And following this, he contacted EIL to make a claim for the damage this leak caused.

But Mr P was unhappy that following this claim, his renewal premiums increased. Mr P felt he'd been led to believe his premiums would be unaffected by making a claim. And he was unhappy that increased costs had been incurred during the claim and then recorded against him. So, he wanted EIL to reduce his premiums to honour the guarantee he feels he was given, and compensation for the inconvenience he'd been caused.

EIL responded to the complaint and set out why they didn't agree they had mis-advised Mr P regarding the impact a claim may have on future premium prices. And they thought the claim had been costed appropriately, considering the work that was required to repair the damage at his home. But they did pay Mr P £100 compensation to recognise any distress and inconvenience he'd been caused, and to recognise Mr P's assertion he had been mis-advised. Mr P remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint, explaining why over two responses. These have been sent to both parties and so, I won't be recounting them in detail. But to summarise, our investigator set out why they weren't persuaded that EIL had misadvised Mr P about the impact to his premium, explaining this was likely advised provided by A before a claim was made with EIL. And they explained why they were satisfied Mr P's premium had been calculated fairly, in line with the same process as any other customer. So, they didn't recommend EIL do anything more.

Mr P didn't agree, providing several comments setting out why. These included, and are not limited to, Mr P's continued assertion that EIL had mis-advised him on other calls that hadn't been made available by EIL, or that he could evidence himself. And he maintained the costs of the claim significantly impacted the premiums of policies offered by alternative insurers, which he felt left him being forced to renew and remain with EIL which he felt was unfair. So, he continued to request a reduction in his premium, and compensation for the inconvenience he'd been caused. As Mr P didn't agree, the complaint has been passed to me for a

decision.

### **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'm not upholding the complaint for broadly the same reasons as the investigator. I've focused my comments on what I think is relevant. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome.

Before explaining why I've reached my decision, I first want to set out what I've been able to consider, and how. I note Mr P raised a separate complaint with our service which addressed his service concerns up to March 2024. As our service already investigated these concerns, and the events before this date, I won't be considering these, or commenting on them, within this decision.

Instead, my decision focuses on Mr P's more recent complaint, which centres around his increased premium prices, and the impact his claim had on these. And I want to be clear it's not my role, nor the role of our service, to direct a business such as EIL on how much they could, or should charge, for the policies they provide.

Instead, it is my role to consider the advice given to Mr P regarding his premiums and consider whether they were charged fairly, based on a businesses underwriting criteria, to ensure Mr P was treated the same as other customers of EIL. Having done so, I'm satisfied EIL have acted fairly here and I'll explain why.

I note the crux of Mr P's complaint centres around his belief that EIL advised him making a claim on his home insurance policy wouldn't impact his future premiums. But having considered all the information available to me, I haven't seen evidence that persuades me this is the case.

I've listened to a call between Mr P and EIL, held shortly before he made his claim online. And within this call, Mr P queries the impact a claim would have on his no claims discount ("NCD") as well as his excess. Having listened to this call, I'm satisfied EIL correctly advised Mr P that as his NCD was protected, it would remain at 8 years if a claim was made and that it would not accrue an additional year in the policy year a claim is made. Having reviewed Mr P's renewal documentations in the years that followed, I'm satisfied this was the case.

And further to this, I'm satisfied within this call that EIL made it reasonably clear to Mr P that a claim would impact his policy premium, as he's made aware that for an inspection to take place, a claim would be made. And, that if Mr P chose to withdraw his claim after this that he was entitled to do, this would still have an impact on his premium as the inspection would incur a cost to EIL. Following this information, Mr P advised he would discuss this further with Mrs M and if necessary, raise a claim using an online link sent to him by email after this call. And I've seen Mr P raised his claim online, less than a week later.

So, I'm not persuaded that EIL mis-advised Mr P regarding the impact a claim would likely have on future premiums.

I understand Mr P is unlikely to agree with the above. And I want to reassure Mr P I've thought carefully about his belief that further calls were held with EIL where the mis-advice was provided. But I note Mr P has been unable to provide evidence that shows further calls were held with EIL before he made a claim with them. And EIL have provided substantial

evidence that shows the searches they completed to locate additional calls or contact, with no such records being located.

Within this call, I'm satisfied Mr P advised EIL he had attempted to contact A following the escape of water. And EIL further clarified A's role as a separate insurer and provider of his home emergency cover. So, considering this, on the balance of probability I'm satisfied that any mis-advice about the impact on his premium was most likely provided by A, rather than EIL. And EIL aren't responsible for the actions A, or the advice A provided. So, this hasn't impacted the decision I've reached here.

I then turn the renewal premium prices themselves. EIL have provided our service with their underwriting criteria and a detailed breakdown of how Mr P's premiums were calculated. This is commercial information that I'm unable to disclose with Mr P directly. Having considered this information, I'm satisfied the increases were influenced by several different criteria, alongside the fact a claim was made. And, that these criteria were the same criteria used against their other customers. More importantly, I'm satisfied that the actual claim cost itself wasn't a factor that influenced the premiums Mr P was charged. So, I'm unable to say EIL have acted unfairly or unreasonably when charging Mr P the premiums they have.

But again, I recognise Mr P is unlikely to agree with the above. And I want to reassure him I've thought at length about his concerns regarding the claim cost, which he feels was increased due errors EIL made, and how this has impacted him finding suitable alternative insurance.

But I'm unable to conclude that EIL's actions, including the costs they've incurred when settling the claim, have directly led to the increased premiums Mr B has sourced from other insurers. This is because there are several variables that impact the risk any insurer is willing to take on and then, the premium they will charge to reflect this risk. So, I have no way of knowing for certain that the costs EIL have recorded on the claim are the sole reason for any higher and more expensive premiums Mr P has been able to source by way of quotes elsewhere.

To be clear, some insurers may take this into consideration, while others won't. But in any situation, the fact a claim has been made on a policy will most likely be considered. So, I think it's likely to assume any quotes for alternative insurance, as a new customer, is likely to be higher than the original premiums Mr P was used to paying before the claim was made.

So, because of the above, I'm not upholding Mr P's complaint on this occasion and so, I won't be directing them to take any further action.

Again, I understand Mr P is unlikely to agree with the above. And I do recognise a compensatory payment was offered, and paid, by EIL based on Mr P's assertion he was mis-advised, although they didn't agree this was the case. As I'm satisfied EIL didn't mis-advice Mr P, and that the renewal premiums they offered were calculated fairly, this payment made by EIL hasn't impacted the decision I've reached.

### **My final decision**

For the reasons outlined above, I don't uphold Mrs M and Mr P's complaint about esure Insurance Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr P to accept or reject my decision before 18 August 2025.

Josh Haskey  
**Ombudsman**