

The complaint

Mr and Mrs S have complained about the amount U K Insurance Limited (“UKI”) charged for their home insurance policy.

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.

Our investigator thought UKI had acted fairly. I agree, and for the same reasons, so I don’t think there’s a benefit for me to go over everything again in detail. Instead, I’ll summarise the main points:

- Whilst the policy is sold and branded by another company, UKI is the underwriter. As a result, UKI is the party responsible for the premium charged. So this complaint has rightly been considered against UKI.
- In 2025, UKI offered to renew the policy for nearly £500. This was an increase of over 20% from 2024. Mr and Mrs S questioned the reason for the increase. UKI said a number of factors influenced premiums but didn’t give a more specific reason.
- In a later call, UKI offered a 10% discount. That meant the increase from 2024 was now around 10%. Mr and Mrs S thought this showed UKI hadn’t offered the correct or best price initially. UKI said it offered the best price available at the time, including any applicable discounts, but discounts aren’t always available.
- Each insurer is entitled to take its own view of risk and, based on that, whether to offer insurance cover to a particular policyholder – and, if so, at what price.
- Generally, an insurer can take into account any information they wish when deciding how risky something is to insure. That information can change over time for a variety of reasons – and so can the weight an insurer places on the information. As a result, an insurer’s view of risk can change over time, even if nothing seems to have changed to the policyholder. I don’t think that’s unreasonable.
- An insurer’s view of risk, including the associated underwriting and pricing information, is commercially sensitive. So I wouldn’t expect it to routinely share such information with a policyholder. An insurer isn’t required to give specific reasons for a premium increase, so I wouldn’t usually expect it to.
- Mr and Mrs S were entitled to accept, reject, or negotiate the renewal terms offered by UKI. They negotiated the terms and were offered a 10% discount. They remained entitled to accept or reject that offer. So if they thought UKI’s premium was unfairly high, they didn’t have to accept and pay it. I note the renewal documents highlighted that Mr and Mrs S were entitled to shop around, so I think UKI were clear that there was no obligation on Mr and Mrs S to renew the policy.

- UKI wasn't obliged to offer any discount. It did so because, at the time of the later call in which the discount was offered, the offer was available. UKI, like any insurer, is entitled to operate different discounts at different times. A discount being available at a later time doesn't mean it should have been available at an earlier time or that the initial premium offered was unfair or incorrect.
- I haven't seen any information to suggest Mr and Mrs S were treated inconsistently with UKI's general view of risk or the way it treats other policyholders. Ultimately, they paid around 10% more than they did in 2024. This kind of increase isn't uncommon or out of step with premium increases seen throughout the industry recently. And Mr and Mrs S were under no obligation to accept it.
- Taking all of this into account, I'm satisfied UKI acted fairly and reasonably.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 10 October 2025.

James Neville
Ombudsman