

## **The complaint**

Mr and Mrs H have complained about the amount Admiral Insurance (Gibraltar) Limited 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 Admiral 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:

- In 2024, Admiral offered to renew the policy for around £1,400. Shortly before the renewal, Mr and Mrs H got in touch with Admiral about a potential water leak. Admiral recorded a claim and began investigating the circumstances.
- Admiral then got in touch with Mr and Mrs H to say the recorded claim meant the renewal premium would increase to around £1,900. Mr and Mrs H paid the additional amount and complained about it.
- 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 can include any claims that have been made, including those yet to be concluded. And it can include claims where no payment has been made to the policyholder.
- When information changes prior to a renewal, an insurer is entitled to reconsider the risk and associated premium. When Mr and Mrs H made the claim shortly before the renewal date, Admiral considered that meant it was riskier to provide insurance. Whilst Mr and Mrs H may not agree with that, Admiral was entitled to take that view.
- Mr and Mrs H were entitled to accept, reject, or negotiate the renewal terms offered by Admiral – both initially and after the premium had increased. So if they thought Admiral's premium was unfairly high, they didn't have to accept and pay it.
- Nonetheless, I would expect Admiral to be able to show its premium increase was fair. In these circumstances, that means it was in line with its general view of risk and meant Mr and Mrs H were treated consistently with how any other policyholder in similar circumstances would have been.
- Admiral has shared underwriting and pricing information with this Service. It's commercially sensitive, so it wouldn't be appropriate for me to discuss it in detail. But I can reassure Mr and Mrs H the information is comprehensive and, having thoroughly considered it, I'm satisfied it shows the premium increase was fair.

- It's been suggested Mr and Mrs H made the claim in error. But I haven't been persuaded that's so. They were told by their local water authority there was, or may be, a leak on one of their pipes, which prompted them to get in touch with Admiral. So I'm satisfied they understood they had a genuine loss, which they hoped the policy would cover. I don't think that's a claim made in error.
- If it transpired there wasn't a leak, Mr and Mrs H would have effectively paid nearly £500 for Admiral to discover there wasn't a leak. I can see why that would be disappointing. But I don't think that's something I can hold against Admiral. It was asked to investigate a claim, and it did so. And once a claim had been made, it was entitled to take that into account when offering the renewal premium.
- In summary, I'm satisfied Admiral acted fairly and reasonably because:
  - A claim was made before the renewal date.
  - Admiral was entitled to take that into account and change its renewal offer.
  - Admiral did so and offered an increased premium – which was fair.
  - Mr and Mrs H were entitled to accept, reject, or negotiate the offer. They chose to accept and pay it.
- This complaint has focused on the premium increase brought about by the claim, and not the claim itself. So I haven't considered the claim. Mr and Mrs H are entitled to complain about that separately.

### **My final decision**

I don't uphold this complaint.

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

James Neville  
**Ombudsman**