

The complaint

Mr L complains Admiral Insurance (Gibraltar) Limited (Admiral) unfairly calculated his motor insurance policy premiums. And it failed to provide justification and transparency on the use of certain data for underwriting purposes.

What happened

Mr L held a motor insurance policy with Admiral for a number of years. He said his premiums had increased and he felt he was paying an inflated price and his right to his personal data had been violated.

He made reference to his dissatisfaction with the UK Insurance industry practices. In particular he was unhappy with how premiums are calculated and the lack of transparency, and he requested this to be stopped.

In Mr L's specific case he believes he has significantly over paid for insurance. He specifically mentioned the collection of personal data was disproportionate and unnecessary.

Admiral explained that insurers choose their own rating guidelines. It specifically explained why it captured occupation, marital status and mileage as ratings factors. It explained it priced its premiums based on its own commercial judgment, but said it was unable to disclose the exact statistics it used.

Because Mr L was not happy with Admiral, he brought the complaint to our service.

Our investigator didn't uphold the complaint. They looked into the case and explained it is not within the remit of our Service to consider practices within the general insurance industry relating to the use of customer data within motor insurance. They said based on the underwriting evidence provided that showed how Mr L's specific premiums had been calculated, it appeared Admiral treated him in the same way as it would every other customer in his position.

As Mr L is unhappy with our investigator's view the complaint has been brought to me for a final decision to be made.

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.

I think it's important to first highlight that it's not within the remit of our role to determine if a business's operating practices or procedures are acceptable – that would fall under the Financial Conduct Authority (FCA) as the financial services industry regulator. It would be for the FCA to investigate Admiral's procedures and determine whether they need to expand its list of occupation options etc.

Because we're not the industry regulator, I don't have the power to tell an insurer or broker how much it can charge for its policies. Neither is it my role to tell an insurer what factors it should take into account when assessing risk.

I understand Mr L is keen for Admiral to fully explain how his premiums were calculated and Admiral's reasons for collecting the personal data that it did.

When calculating what premium to charge individual policyholders, Admiral will take numerous different factors into account and the risk it's willing to accept. These are likely to include, but are not limited to, the policyholder's postcode, occupation, the age of the drivers, the number of fault claims and non-fault claims etc. And different insurers assess risk differently. What is high risk to one may not be to another. Individual insurers may also use different data when assessing the risk posed. But that's not unusual or unfair.

We cannot tell Admiral (or any insurer) that it should use, or discount, specific data. That's because the risk is Admiral's to take on so it will decide how to assess it and will price the policies it offers accordingly. Prices can go up or down, depending on what it thinks the risks are that year for all of its customers.

The insurance market is competitive, and consumers' choices are often driven significantly by price. Providing they treat people fairly, insurers and brokers are entitled to charge what they feel they need to in order to cover a risk. So although I cannot tell Admiral how much to charge Mr L, I can look at whether it treated him fairly throughout the time he held his motor insurance.

I understand Mr L would like to see Admiral's rating structure in more detail. Unfortunately, this is commercially sensitive information and not something I can tell it to disclose. Admiral did provide our service with the information to explain how Mr L's motor insurance premiums were calculated.

Mr L said he felt he'd been over charged due to Admiral not collecting entirely accurate occupation data. He said the options provided didn't enable him to pick his specific occupation. And he said discussions about insurance premiums with peers with similar driving histories, had led him to conclude his premiums with Admiral were disproportionately high.

I recognise Mr L feels there was not an accurate description of his occupation to select but it's Admiral's choice to determine which occupation categories or titles it uses. I am unable to tell it to change this. I can confirm that all of Admiral's customers have to select from the same list. I don't think it is reasonable to make a comparison to premiums charged to peers. Although I understand Mr L said they had similar or worse driving histories there will have been many other factors affecting their premiums; including address, car, cover required, mileage etc which would affect the cost of premiums, therefore I am not persuaded this is a comparison that can be relied upon.

After reviewing the underwriting information provided, I'm satisfied Mr L's premiums were calculated correctly based on the factors considered by Admiral for all of its customers. Because it applied its pricing strategy in a fair and reasonable manner, in the same way it has for all his customers, I didn't find it had treated Mr L any differently to other customers.

Therefore, I don't uphold Mr L's complaint and don't require Admiral to do anything further in this complaint.

My final decision

For the reasons I have given I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 29 October 2025.

Sally-Ann Harding
Ombudsman