

## The complaint

Mr M complains about premium increases to his British Gas Insurance Limited home emergency policy.

## What happened

Mr M had a British Gas home emergency policy. His policy was due to renew in January 2025. British Gas wrote to him before the renewal quoting his new annual premium. Mr M was upset that it intended to increase his premium from £173.76 to £360.44.

British Gas told us Mr M's policy didn't fall under our jurisdiction, however it agreed that we could review his complaint. It explained that Mr M's five-year warranty for his boiler had ended, so the cost of his cover – a “*top-up*” policy – increased.

Our investigator was satisfied that British Gas had acted reasonably and didn't think it needed to take any further action. Mr M disagreed, so the case was passed to me.

## 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.

Mr M's premium more than doubled at renewal. I understand why he'd be frustrated by this. However, as our investigator explained, this service can't tell an insurer how it should price risk or what an insurance policy should cost.

British Gas is taking on the risk of insuring Mr M's central heating and boiler, so it's right that it – like any insurer – can decide how it assesses and prices risk. Insurers take different factors into account when calculating risk. These include factors specific to a customer (for example, boiler age) and factors that are non-specific (for example, the number of claims for this type of product). Insurers constantly review these factors which can lead to increases or decreases in the premiums they charge. How they gather, analyse, and assess this information is up to each insurer.

We generally accept that an insurer can charge what it likes so long as it acts fairly. This means, among other things, applying its pricing model consistently and offering policyholders the chance to shop around and seek a lower premium from another insurer.

In fact, Mr M told us he was able to negotiate a cheaper price with British Gas so ended up paying less than he was first quoted. He's still upset by this because he says he “*potentially would have been out of pocket.*” I understand his point. But he wasn't out of pocket. This service looks at whether customers have lost out as a result of unfair or unreasonable behaviour by insurers. In this case, I don't think British Gas acted unfairly and I don't think Mr M lost out.

For these reasons I don't uphold his complaint.

**My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 12 October 2025.

Simon Begley  
**Ombudsman**