

The complaint

Mr M complains that Acromas Insurance Company Limited (Acromas) unfairly increased his motor insurance premium following a change to his cover.

What happened

The circumstances of this case are known to both parties, but in summary Mr M arranged a motor insurance policy through a broker, which was underwritten by Acromas.

In July 2025 Mr M renewed his motor policy but subsequently informed the broker he had changed his vehicle. The broker confirmed the change with Acromas who said the policy premium had increased by approximately £300. Mr M said his premium shouldn't have increased as the car he changed to was smaller than his previous car, and so he complained to the broker.

The broker responded on behalf of Acromas and explained it didn't uphold the complaint as it was satisfied it had acted fairly when amending Mr M's policy. It explained Acromas was satisfied it had priced the policy fairly – and that the premium met its pricing expectations. As Mr M remained unhappy, he referred his complaint to this Service.

Our Investigator didn't uphold the complaint as they were satisfied Acromas had acted fairly when handling the renewal and amendment to Mr M's policy. Mr M disagreed and asked for an Ombudsman to make a final decision as Acromas hadn't provided him with evidence to show it had fairly priced his policy, and that it was unfair for insurers to charge different premiums for policyholders in the same circumstances.

So, the case has been passed to me to decide.

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.

While I recognise Mr M will be disappointed with my decision, I don't uphold this complaint. I'll explain why.

I know I've summarised the circumstances of this case in less detail than presented. But I want to assure both parties that I've carefully considered all the information provided. I may not respond to every point or piece of evidence. But I've focused on the issues I consider to be key to the outcome of the case. This isn't meant as a discourtesy but reflects the informal nature of this Service – and the rules this Service are expected to adhere to enable me to do this.

I should first set out that this Service isn't the regulator. So, it isn't our role to direct Acromas on how to conduct its business or the prices it sets for its policies. These are things that fall within its own commercial judgement and isn't something this Service would look to interfere with. Instead, I have considered whether Mr M has been treated fairly and reasonably. In

doing so, I have considered whether Acromas treated Mr M the same way it would have treated any other customer in the same circumstances.

Acromas has provided information to explain how it calculates its premiums. I can't share this information with Mr M due to its commercially sensitive nature, but I hope I can provide some assurance that this information has been considered independently of both parties to this complaint. This shows that Acromas's renewal premiums are calculated automatically using its internal pricing algorithms and takes into account many different pieces of information including the information within the statement of fact.

When Mr M changed his vehicle, the broker passed that information to the Acromas who reassessed the risk under the policy which led to the premium increasing. I recognise why Mr M felt this would result in a reduction to his premium given the change to a smaller vehicle, but there are other additional factors considered when an insurer assesses risk. And so, the change to a smaller vehicle doesn't always mean a premium would decrease.

I recognise Mr M would like Acromas to share the details of how his premium was calculated. While I appreciate Mr M wants to understand this, Acromas is under no obligation to send him this information and there is no regulatory requirement for it to do so. And it's standard industry practice that insurers won't share this information. It's not unreasonable that they don't.

Mr M has also explained that he is being charged more compared to other customers in his area. I understand Mr M has previously complained about the impact of his new build home's postcode to his insurance – however Acromas considered this previously and isn't the subject of this complaint. So, I won't comment on this issue further. But I haven't seen anything to support that the issue he experienced previously is the reason for the increase to his premium.

While customers in his area may share similarities, such as his postcode, these are not the only factors taken into consideration when an insurer assesses risk. Each insurer is entitled to set its policy premiums based on its own commercial judgment. So, no two insurers will take the same approach when it comes to assessing risk and the subsequent price it charges its policyholders. It follows that, while Mr M is being charged a different premium to others in his area, this doesn't necessarily mean Acromas has done anything wrong.

So, for the reasons I have explained above, I don't find that Acromas has acted unfairly here. I therefore won't be directing it to do anything in response to this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 March 2026.

Oliver Collins
Ombudsman