

## **The complaint**

Mr L complains about Liverpool Victoria Insurance Company Limited (“LV”) and the increase in his home insurance premium.

## **What happened**

The complaint circumstances are well known to both parties, so I don’t intend to list them chronologically in detail. But to summarise, Mr L held a home insurance policy, underwritten by LV, which was due for renewal in late 2025. But when Mr L received his renewal documents, he found his renewal premium was around £1,000 higher than the previous year. Mr L was unhappy about the size of this increase, considering he’d been able to find alternative insurance for less than the amount he had paid the previous year, so he raised a complaint.

LV responded to the complaint and didn’t uphold it. In summary, they explained how the general UK home insurance market had impacted the premiums they were able to offer. And they reiterated that Mr L was able to shop around for alternative cover if he remained unhappy with the price they had offered. Mr B remained unhappy with this response, so he referred his complaint to us.

Our investigator looked into the complaint and didn’t uphold it. Both parties have had sight of this outcome, so I won’t be recounting it in detail. But to summarise, our investigator explained it wasn’t the role of our service to tell insurers such as LV what they should charge, or what they should consider when setting the price of their policies. And they explained that having reviewed LV’s pricing structure and premium calculation information, which was commercially sensitive, they were satisfied the premium LV quoted Mr L was priced fairly and the same as any other customer. So, they didn’t recommend LV do anything more.

Mr L didn’t agree. He didn’t feel it was reasonable to assume, or believe, that another customer in a similar situation to himself would have received such a substantial premium increase like he had. And he reiterated that he had since been able to obtain similar insurance with another insurer, for significantly less than the renewal premium and actually less than the premium he had paid LV the year before. So, he maintained his belief that he had been treated unfairly and wanted to be compensated for the impact this created. As Mr L didn’t agree, the complaint has been passed to me for a decision.

## **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.

Having done so, I’m not upholding the complaint for broadly the same reasons as our investigator. I’ve focused my comments on what I think is relevant. If I haven’t commented on any specific point, it’s because I don’t believe it’s affected what I think is the right

outcome.

Before I explain why I've reached my decision, I want to set out what I've been able to consider and more importantly how. I note this has been explained by our investigator previously, with Mr L expressing his understanding. But for completeness, I want to reiterate it again.

Insurers such as LV are entitled to decide how much they charge for the policies and cover they provide. It's not my role, or the role of our service, to tell an insurer such as LV what they should charge or what factors they should consider when setting the price of the policies they offer. So, this isn't something I will be doing or considering within my decision.

Instead, it is my role to consider the evidence made available to me to decide whether LV acted fairly and reasonably in the individual circumstances of this complaint. This includes me considering whether Mr L was treated fairly, and more importantly, the same as any other customer, when LV calculated the renewal premium they offered.

To do this, I've carefully considered the pricing structure and information LV have provided that supports how they calculated Mr L's premium. This information is commercially sensitive and so, it isn't something our service is able to share with customers such as Mr L.

But I want to reassure Mr L I've read through this information at length, alongside the comments both parties have provided. And having done so, I'm satisfied Mr L's renewal premium was calculated within LV's pricing structure and criteria. And because of this, I'm satisfied Mr L was treated fairly, and the same as any other customer would have been treated in the same situation. So, I won't be directing LV to do anything more on this occasion.

I understand this isn't the outcome Mr L was hoping for. And I recognise why Mr L feels unfairly treated, considering his ability to obtain a policy with another insurer for significantly less than the premium LV offered. But as I've set out above, insurers are entitled to set the premiums they wish to charge. And this is irrespective of what another insurer charges, as each insurer can assess and grade risk differently.

But I am pleased to see that within the renewal documents, and in LV's complaint response, they actively directed Mr L to search for alternative insurance if he remained unhappy with the renewal premium. And, that they gave Mr L ample and reasonable time to do so, which is what I'd expect to see.

### **My final decision**

For the reasons outlined above, I don't uphold Mr L's complaint about Liverpool Victoria Insurance Company Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 11 February 2026.

Josh Haskey  
**Ombudsman**