

The complaint

Mr D and Miss O complain about how U K Insurance Limited (UKI) handled the renewal of their commercial van insurance policy.

What happened

Mr D and Miss O's van insurance policy was due for renewal. UKI sent the renewal to Mr D and Miss O but the premium had doubled. Mr D and Miss O raised a complaint which was upheld by UKI. They said there had been an error with the renewal initially, but a corrected renewal was sent out rectifying the issue. UKI apologised and offered Mr D and Miss O £400 compensation for the inconvenience caused. This also included for not responding to some emails sent by Mr D and Miss O. Mr D and Miss O didn't think the compensation was enough and brought the complaint to this service.

Our investigator didn't uphold the complaint. She thought UKI's compensation offer was fair and reasonable in the circumstances. Mr D and Miss O appealed. They didn't think our investigator had considered all the information provided and still didn't think the compensation was fair. As no agreement could be reached, the complaint has been passed to me to make a final 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.

At the outset I acknowledge that I've summarised their complaint in far less detail than Mr D and Miss O have, and in my own words. I'm not going to respond to every single point made. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. The rules that govern the Financial Ombudsman Service allow me to do this as it's an informal dispute resolution service. If there's something I've not mentioned, it isn't because I've overlooked it. I'm satisfied I don't need to comment on every individual point to be able to reach an outcome in line with my statutory remit.

It has been accepted by UKI that the initial renewal was incorrect. UKI incorrectly deducted no claims discount due to a notification only incident. This increased the premium in the renewal but was corrected roughly 10 days later. It has also been accepted that UKI didn't respond to some of Mr D and Miss O's emails. As these issues aren't in dispute, I'll focus on the compensation offered to Mr D and Miss O.

I appreciate that it must have been frustrating and a surprise for Mr D and Miss O to receive such a high renewal price. This has caused them inconvenience as they needed to contact UKI to discuss it. As I've said, this was corrected roughly 10 days later, at which point the correct renewal price was sent to Mr D and Miss O. I accept that Mr D and Miss O are still unhappy with the increase in premium, but I've not seen anything to suggest it's unfair or unreasonable. Insurance premiums tend to increase year on year due to inflation. Insurers have the commercial discretion to price their policies as they wish, as long as they don't treat customers differently. Whilst they didn't claim, Mr D and Miss O's van was

involved in an accident, which UKI would also have taken into consideration when rating the policy.

I also appreciate it would have been frustrating and caused Mr D and Miss O inconvenience by UKI not responding to some of their emails.

Although the above is a distilled version of events, I've considered everything in the round. I think Mr D and Miss O have been caused considerable distress, upset and worry which has taken a lot of extra effort to sort out. In line with our website guidelines, I think the £400 compensation offered by UKI is fair and reasonable for the inconvenience caused to Mr D and Miss O. So, I won't be asking UKI to pay anything more. I understand this hasn't been paid by UKI yet, so, I'll be telling UKI to make payment of the compensation.

Mr D and Miss O have said that UKI haven't fully considered the impact this has had on Miss O and in particular, the issues it's caused with another policy she has. I've seen no evidence the claim was recorded incorrectly by UKI. The no claims discount was in Mr D's name and wouldn't have been applicable to Miss O. So, for the issues specifically raised in this complaint, I think the impact to Miss O on her other policy would have been minimal. So, I don't think any further compensation is needed. I understand that Miss O had a policy with UKI and she was unhappy with her premiums. If this is the case, she would have to raise this as a separate complaint with UKI.

Mr D and Miss O have also said they don't think we've considered all the information provided to us. They've said they sent us roughly 30 emails but weren't able to see these on our portal. Whilst they might not be on the portal, I've got around 30 emails from Mr D and Miss O in the case file. So, I do think we've received all the emails they sent us and these have been considered in this complaint.

Putting things right

To put things right, UKI should pay Mr D and Miss O £400 for the inconvenience caused.

My final decision

For the reasons I've explained above, I uphold this complaint and direct U K Insurance Limited to put things right by doing as I've said above, if they haven't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Miss O to accept or reject my decision before 5 May 2026.

Anthony Mullins
Ombudsman