# Insurance claims for weather damage hit £226 million in first quarter of 2025



## Weather-Related Insurance Claims in the UK Surge to Record Highs

Insurance claims for weather-related damage across homes and possessions in the UK have soared to an unprecedented £226 million from January to April 2025. This figure marks a significant milestone, as it is the first instance where quarterly claims have exceeded the £200 million threshold since the Association of British Insurers (ABI) began tracking such data in 2017. The surge follows a series of adverse weather events, particularly Storm Eowyn, which have left considerable damage in their wake.

The ABI noted that the current payouts not only surpass the previous quarterly record from early 2022 by £67 million but also reflect a widespread challenge for both homeowners and businesses. Business claims associated with weather-related damage and business interruptions amounted to £109 million, a notable £7 million increase from the same period in 2024.

Louise Clark, manager of general insurance policy at the ABI, highlighted the vital role of insurance as a safety net during such crises. She emphasised that, with climate change leading to increasingly severe weather, there is an urgent need for greater preventative measures. These observations resonate with a broader narrative on the escalating frequency and severity of weather events, which experts attribute partly to climate change.

This trend is not solely confined to 2025. In 2023, the total value of weather-related claims peaked at £573 million, a 36% jump from the previous year. This was driven by a multitude of storms, including Babet, Ciaran, and Debi, which inflicted extensive damage through high winds and flooding. Average payouts from such claims rose to approximately £5,000 per incident, indicating that the financial impact of these weather events is becoming increasingly severe.

The ABI has noted that while insurance claims climb, so too do the costs associated with coverage. The average annual premium for combined building and contents home insurance now stands at £393—reflecting a £24 rise from Q1 2024, amidst high repair costs and increased claims volume. The average price of buildings-only insurance also depicts a troubling trend—with costs up to £322, representing a £28 increase year-on-year. While the average cost of contents-only insurance saw a slight reduction to £128, it remains a concern that overall insurance expenses continue to escalate.

As climate-related incidences become more commonplace, the ABI advocates for an urgent reassessment of urban planning and infrastructure investment, especially in flood-prone areas. There is a pressing call for enhanced flood defenses and stricter regulations to discourage future development in locations vulnerable to severe weather effects.

In summary, the emerging trends in weather-related insurance claims underscore the increasingly precarious nature of home and property insurance in the UK. With climate change influencing more frequent and extreme weather events, both consumers and the insurance industry may need to adapt to an evolving landscape fraught with risk. As the ABI continues to monitor these developments, the focus on preventative measures and better risk management has never been more crucial.

## Reference Map:

* Paragraph 1 – [[1]](https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/), [[2]](https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/)
* Paragraph 2 – [[1]](https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/), [[5]](https://www.reuters.com/world/uk/uk-home-business-property-insurance-payouts-hit-6-bln-2023-2024-04-14/)
* Paragraph 3 – [[3]](https://www.theguardian.com/business/2024/apr/15/uk-weather-related-insurance-claims-reach-record-573m), [[4]](https://www.ft.com/content/5fd77e9f-ff50-484c-93f8-def5bab00db1), [[6]](https://www.abi.org.uk/news/news-articles/2024/4/weather-damage-insurance-claims-worst-on-record/)
* Paragraph 4 – [[1]](https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/), [[7]](https://www.ft.com/content/38c03af7-58f6-402e-9a8a-41ab93e8c25a)
* Paragraph 5 – [[5]](https://www.reuters.com/world/uk/uk-home-business-property-insurance-payouts-hit-6-bln-2023-2024-04-14/), [[6]](https://www.abi.org.uk/news/news-articles/2024/4/weather-damage-insurance-claims-worst-on-record/)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/> - Please view link - unable to able to access data
2. <https://www.irishnews.com/news/uk/claims-for-weather-related-damage-to-homes-and-possessions-hit-record-226m-S7LQVNVHS5OSDN6MTUM5JNFGAA/> - Between January and April 2025, insurance claims for weather-related damage in the UK reached a record £226 million, marking the first time quarterly claims have exceeded £200 million since 2017. This surge is attributed to significant and consistent bad weather, including Storm Eowyn. Additionally, businesses faced £109 million in weather-related damage and business interruption claims, a £7 million increase compared to the first quarter of 2024. The average price for combined building and contents home insurance in Q1 2025 was £393, reflecting the impact of high claim costs on insurance premiums.
3. <https://www.theguardian.com/business/2024/apr/15/uk-weather-related-insurance-claims-reach-record-573m> - In 2023, UK weather-related home insurance claims reached a record £573 million, a 36% increase from 2022. This rise was driven by a series of storms, including Babet, Ciaran, and Debi, leading to significant damage from high winds, flooding, and burst pipes. The average weather-related payout was approximately £5,000, up from £3,000 in 2022. The Association of British Insurers (ABI) emphasized the need for increased investment in flood defenses and changes to planning systems to discourage construction in flood-prone areas.
4. <https://www.ft.com/content/5fd77e9f-ff50-484c-93f8-def5bab00db1> - In 2023, UK home insurers faced £573 million in weather-related damage claims, the highest in seven years. Severe storms like Babet, Ciaran, and Debi caused extensive property damage and flooding, contributing £286 million to the total. The Association of British Insurers (ABI) highlighted the challenges posed by climate change, urging for greater investment in flood defenses and changes to planning systems to discourage building in at-risk areas. The average annual premium for a UK buildings and contents policy rose by nearly 20% year-on-year to £364 in Q4 2023.
5. <https://www.reuters.com/world/uk/uk-home-business-property-insurance-payouts-hit-6-bln-2023-2024-04-14/> - In 2023, property insurance payouts for homes and businesses in Britain rose to £4.86 billion, marking an 18% increase from the previous year. Weather-related home damage claims surged 36% to £573 million, attributed to a series of autumn storms causing high winds, flooding, and burst pipes. The Association of British Insurers (ABI) noted that climate change and increased development in vulnerable areas are contributing to more frequent and severe weather events, leading to higher repair costs and insurance premiums.
6. <https://www.abi.org.uk/news/news-articles/2024/4/weather-damage-insurance-claims-worst-on-record/> - In 2023, property insurers paid out £4.86 billion to homeowners and businesses, with £2.55 billion allocated for home insurance claims. This 10% increase from 2022 was driven by weather-related damage, with claims reaching £573 million, a 36% rise from the previous year. The surge was largely fueled by storms Babet, Ciaran, and Debi, leading to £133 million in storm damage claims and £286 million in flooding claims. The average claim cost rose to £6,235, an 11% increase compared to 2022.
7. <https://www.ft.com/content/38c03af7-58f6-402e-9a8a-41ab93e8c25a> - The average UK home insurance policy has risen by almost one-fifth to nearly £400, marking an all-time high. This increase is primarily due to insurers raising prices in response to record weather-related claim payouts. Data from the Association of British Insurers (ABI) indicates that between May and June, the average cost of an annual policy covering buildings and contents increased to £396, reflecting a 6% rise from the previous quarter and a 19% increase from the same period last year.