

The complaint

Mr F's complained about how Marsh Ltd, trading as Marsh Commercial, dealt with the renewals of his commercial insurance policy.

What happened

Mr F owns a number of properties which he rents out. For the last few years, he's used Marsh to arrange landlord insurance.

In 2024, Mr F complained to Marsh about how they'd dealt with renewals since 2018. Specifically, he complained that Marsh:

- failed to obtain renewal quotes early enough to give him reasonable time to review them;
- didn't search widely enough for quotes;
- didn't ensure that insurance for one of the properties included cover for floods; and
- charged excessive commissions.

Mr F was also unhappy at how much his premiums had increased over the years.

In their reply, Marsh said the policies had been renewed ahead of the renewal date. They acknowledged that details weren't sent as early as Mr F might have wanted. But they said this was because he'd requested a review of the market and additional information had been requested by insurers.

In respect of one of the properties not being covered for flood, Marsh said this was clear from the policy schedule they'd provided. But they accepted they hadn't specifically brought this to Mr F's attention when flood cover was first excluded. They said they disclose their commission rates when requested. And they'd provided Mr F with details of how their rates are calculated and his right to request this information at each renewal. To resolve his complaint, Marsh offered Mr F £300 compensation and said they'd discount their commission on the 2024/25 renewal by 10%. And they waived the administration fee (£75) for his renewal.

Mr F wasn't satisfied with Marsh's offer and pursued his complaint with the Financial Ombudsman Service. Our investigator reviewed the information provided by both parties and concluded Marsh's offer to resolve the complaint was reasonable.

She noted that underwriters only provided quotes between 21 and 30 days before the renewal date, which is in line with what we'd expect and she'd seen no evidence Mr F was forced to accept the quotes. She was satisfied that Marsh searched the market when Mr F asked them to and noted this confirmed Marsh had obtained the most competitive quotes. And she was satisfied Marsh had complied with the FCA's rules about disclosing commission.

The investigator said that she couldn't comment on the level of premiums he'd paid, as this is set by the insurers, not Marsh. She did think Mr F had been inconvenienced by Marsh not

drawing the flood cover exclusion to his attention. But she said Marsh's offer was reasonable to address that failure.

Mr F didn't agree with our investigator's view. So the matter's been passed to me to make 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 that, I agree with our investigator that Marsh's offer is reasonable to resolve Mr F's complaint. I'll explain why.

I won't be looking at the complaint about the level of Mr F's premiums. As our investigator confirmed, premiums are set by the insurers, not Marsh. So it's an issue Mr F would need to raise with the insurers if he wants to pursue that further.

I understand Mr F's unhappy with what Marsh have done. But my role is to decide whether they've acted fairly and reasonably, in line with their terms and conditions.

Marsh's terms and conditions were provided to Mr F each year as part of the renewal pack. These set out what services Marsh would provide, including how they would search for quotes how they would be paid and how to obtain details of commissions paid. I'm satisfied from what I've seen that Marsh conducted Mr F's renewals in line with those terms. So I can't say they've not acted fairly in how they dealt with those.

In relation to the amount of time Mr F had to consider quotes, I've not seen that he raised this before the most recent renewal. But, in any event, I can see Marsh explained to him that insurers don't provide renewal information more than 30 days in advance. That's generally the standard across insurers and, as our investigator explained, we think that it's reasonable to provide this information 14-30 days ahead of renewal.

I'm satisfied that Marsh did this. I appreciate that there were occasions when Mr F wanted to change the terms or get more information. But I can't see he didn't have time to do that before renewal.

The commission Marsh received was agreed between Marsh and the insurers. As our investigator said, Marsh was obliged to disclose to Mr F the basis on which they work (a fee, commission or other type of payment). I can see that Marsh did this. Their terms confirm that, in line with the FCA rules, they will provide details of the commission they received upon a customer requesting that information. And they disclosed that information to Mr F when he requested it. I don't think they need to do anything more.

Finally, I've thought about the complaint that one of the properties wasn't insured against flood damage.

I've read the policy schedules for the 2022 renewal – which was the year the cover was excluded. The schedule for the property in question clearly states it wasn't insured against flood. However, Marsh accept they didn't draw that to Mr F's attention. As this is a significant exclusion I'd have expected them to do so.

Marsh said they would discount the commission they received by 10% and waived the £75 administration fee for the 2024/25 renewal. They also offered Mr F £300 compensation for what had happened.

I agree with our investigator that this is a fair way to resolve the complaint. Mr F tells us he's not received the compensation so I'm directing Marsh they now pay this. But I don't think they need do any more than this to resolve the complaint.

My final decision

For the reasons I've explained, I'm directing Marsh Ltd, trading as Marsh Commercial to pay Mr F the £300 compensation they've previously offered him to resolve his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 14 August 2025.

Helen Stacey
Ombudsman