

The complaint

This complaint is about a payment protection insurance (PPI) policy taken out to protect a mortgage in 1998. Mr H says HSBC UK Bank Plc mis-sold him the PPI.

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.

HSBC had to make Mr H aware the PPI was optional and gain his consent before adding it to his mortgage. There is limited information available from the time the policy was sold but HSBC has sent us the available documentation.

As part of Mr H's mortgage application Mr H had a meeting with a HSBC representative in which a review of his circumstances was completed. A section within the documentation stated:

“repayment protector recommended and taken”

The documentation was also signed by Mr H. Mr H has told us that the style of some of the ticks within the document are not his handwriting. But I don't think it would be unusual for the documents to be discussed within the meeting and completed in part by the representative before Mr H was asked to sign them.

From the information available I think Mr H would have been aware the PPI was optional, and he chose to take it.

As HSBC recommended the PPI to Mr H it had to check that the PPI was right for him. Mr H has told us he had life and health cover. He would also have been able to find a new job if he needed to, so he didn't need the policy. But the PPI would have paid out in circumstances that his other protection didn't, and while Mr H has told us he would have been able to find another job this could have taken some time and I don't think it was possible to guarantee work immediately. So, I think Mr H had a need for the cover, and it was right for him.

It's possible the information HSBC gave Mr H about the PPI wasn't as clear as it should've been, but I think Mr H chose to take out the policy - so it looks like he wanted this type of cover. And it seems like it would have been useful for him if something went wrong. So, I don't think better information about the PPI would have put Mr H off taking out the cover.

Which means HSBC doesn't have to pay back the cost of the PPI to Mr H.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or

reject my decision before 17 January 2021.

Terry Woodham
Ombudsman