

The complaint

Mr L's complained that Payment Protection Services Ltd, trading as Payment Protection Scotland ("PPS") haven't kept him up to date on a claim they made on his behalf for a refund of mis-sold payment protection insurance (PPI).

What happened

In 2019, Mr L asked PPS to act for him in trying to recover PPI he'd paid in the past.

PPS's initial searches identified he'd bought PPI from various businesses, including one I'll call B. PPS submitted a claim to B. B rejected it in November 2020. Mr L understood the rejection was based on the fact B couldn't find a policy in his name.

Shortly after this, Mr L found a certificate of insurance, proving he'd had PPI. He sent a copy to PPS and asked them to send it to B to continue his claim.

Mr L says he received two updates after this, but his claim hasn't been concluded. And he didn't hear anything at all from PPS after July 2021 – nor have they replied to his calls or emails.

Mr L wasn't satisfied with this and complained to our service. We passed the complaint to PPS and asked them to look into it. But Mr L reported he heard nothing from PPS and asked us to investigate. Before our investigator reached a view on whether PPS had treated Mr L fairly, PPS wrote to us about his complaint.

PPS said they'd pursued his claim in line with their processes. But they should have referred B's rejection of the claim to the Financial Ombudsman Service. They'd not done that due to a combination of an increase in claims caused by the FCA imposing a claims deadline and the Covid 19 pandemic, which resulted in their office being closed.

PPS said they still think B should consider Mr L's claim and they offered to pursue that for him without charging a fee, even if the claim were successful.

Our investigator considered the complaint and concluded PPS needed to do more than they'd offered to resolve it. She noted Mr L has been in direct contact with the Financial Ombudsman Service to try and pursue the claim further. So she didn't think it would be fair in any event for PPS to charge him if it's successful.

And the investigator noted there's no guarantee the claim will be successful – so the monetary value of their offer to Mr L may be £0. And, on the basis she thought Mr L had been poorly served by PPS, she thought they should pay him £200 compensation.

Mr L was happy to accept this amount. But PPS haven't responded to the investigator's view. So I've been asked 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'm upholding Mr L's complaint. I'll explain why.

It's clear from what I've read that Mr L feels he should receive a refund from B. It's not my role to decide that. I'm looking at whether PPS have treated him fairly in the way they pursued that refund on his behalf.

It seems both parties agree matters progressed as they should have done in the early stages of the claim. But things went wrong after B rejected Mr L's claim based on their failure to find he had a policy and Mr L produced evidence that he did, in fact, have PPI. Since that time (November 2020) Mr L says he received only two updates. And he's had nothing at all since July 2021.

Mr L has provided copy emails to support what he's told us. I've no reason to doubt what he's said. Nor has the limited evidence received from PPS suggested what he's told us isn't true.

So I'm satisfied that Mr L has been left not knowing the position in respect of his claim, even though he asked PPS to pursue this for him. He's now had to take matters into his own hands because he can't get information from PPS. I don't think that's fair.

Putting things right

As our investigator noted, PPS have accepted they could have dealt better with the claim, by referring it to the Financial Ombudsman Service. They've offered to pursue that for Mr L without charge, even if that's successful.

I've thought about this. I accept some delay in progressing the case was inevitable because of the pandemic. But the failures in service occurred after November 2020 – after the most severe lockdowns. And during the period when Mr L has had no contact, there have been no restrictions in place. So I think it's fair Mr L should be compensated for not receiving information.

And I agree with our investigator it isn't enough for PPS to offer to pursue the case now at no cost. Due to their lack of action, Mr L has contacted the Financial Ombudsman Service himself – so much of the work has been done. And PPS would only be entitled to a fee if the claim is successful – so the offer may be of no value to Mr L.

But he's clearly been worried about the pursuit of the claim, to the extent he's now dealing himself with something he asked PPS to do for him. So, not only do I think PPS should waive any entitlement they may have to a fee in respect of the PPI claim against B, I also agree with the investigator they should pay Mr L £200 compensation.

My final decision

For the reasons I've explained, I'm upholding Mr L's complaint about Payment Protection Services Ltd, trading as Payment Protection Scotland and directing PPS to:

- Waive any entitlement to fees they may have if Mr L's claim against B for a refund of PPI is successful; and
- Pay Mr L £200 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 22 July 2022.

Helen Stacey
Ombudsman