

## complaint

This complaint is about a loan payment protection insurance ('PPI') policy. Ms S says that Glasgow Credit Union Ltd mis-sold her the PPI.

## my findings

I've considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

It seems that the PPI was initially sold during a phone call and I've also seen some paperwork that Ms S has then signed. I've kept this in mind when coming to my decision.

We've set out our general approach to complaints about the sale of PPI on our website and I've taken this into account in deciding Ms S's case.

I've decided the policy wasn't mis-sold because:

- I think Glasgow Credit Union Ltd made it clear that Ms S didn't have to take out the PPI and she chose to take it out – although I can understand why she may not remember this now.

I say this because although a call recording is no longer available, I've seen a sales script that Glasgow Credit Union Ltd says their adviser would have followed at the time of sale.

This 'sales script' is basically a series of prompts built into the computer programme that Glasgow Credit Union Ltd says their advisers used for loan applications. In my opinion, if this sales script was followed, I think that the adviser would have presented PPI as optional before getting consent to taking out PPI.

But I've also considered a copy of Ms K's demands and needs statements. On this document it's stated; *'We recommend that you take out our Accident, Sickness and Unemployment Insurance...'*. At another point on this document it states *'During our discussion you indicated your acceptance of our recommendation of Accident, Sickness and unemployment Insurance. Please Sign and date below to confirm this acceptance.'*

Ms S has then signed at the bottom of the document. So I think that she chose to take PPI understanding that she had a choice. I've also noted that Ms S has also signed a separate 'loan application' document and underneath a series of five statements that includes; *'I declare that I have been fully advised about the benefits of sickness and accident insurance – please refer to demand and needs summary for details.'*

I appreciate what Ms S has said about PPI not being discussed or explained, but I think that she would reasonably have questioned what she was signing for if she was unsure at the point of sale. It's a possibility that given the time that's passed, Ms S may not recall everything clearly now.

- Glasgow Credit Union Ltd recommended the PPI to Ms S so it had to check that the PPI was right for her – and based on what I've seen of her circumstances at the time,

I think that it was. For example he wasn't affected by any of the exclusions to or limits on the PPI cover and she seems to have had a need for the cover.

- It's possible the information Glasgow Credit Union Ltd gave Ms S about the PPI wasn't as clear as it should've been. But she chose to take it out - so it looks like she wanted this type of cover. And it seems like it would have been useful for her if something went wrong. It also looks like it was affordable. So I don't think better information about the PPI would have put her off taking out the cover.

I've thought about everything Ms S has said - including what she's said about the Glasgow Credit Union Ltd staff not being trained properly. Whilst it would be inappropriate for me to comment on this, what I can say is, regardless of what training staff received, I don't think in this case that Ms S has lost out and I don't think that the PPI was mis-sold.

I've also noted what Ms S has said about the PPI duplicating cover she already had. But after six months Ms S's sick pay would have decreased to half pay. The PPI could have paid out in addition to and for longer than - up to 24 months for an accident and sickness claim. In addition, having this policy would have allowed Ms S the option of using her existing sick pay for other living expenses that she may have had.

Ms S also hasn't indicated that she had any other means of making her repayments if she was made unemployed and this policy could have paid out for up to up to 12 months for an unemployment claim.

Whilst I've kept in mind what Ms S's representative has said about Glasgow Credit Union Ltd being a non for profit organisation, I still don't think that this policy was mis-sold and in fairness to Ms S I've applied our usual approach when coming to my decision.

So these points don't change my decision.

I've also thought about the commission Ms S paid on her policy - and whether Glasgow Credit Union Ltd treated her unfairly.

Glasgow Credit Union Ltd has told us that the commission for Ms S's policy was less than half of what she paid for each premium. We've looked at how Glasgow Credit Union Ltd has been working this out and based on what we've seen it looks like it's right - Ms S's commission was less than half the cost of the policy. As that's the case, I don't think it needed to tell her about the commission - so I don't think Glasgow Credit Union Ltd treated her unfairly. This means it doesn't need to pay Ms S back any of the commission she paid for the PPI.

### **my final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms S to accept or reject my decision before 7 February 2019.

Daniel O'Shea  
**ombudsman**