

## **complaint**

Mr G complains that The Prudential Assurance Company Limited ('Prudential') mis-sold payment protection insurance ('PPI') to him when he took out a mortgage in 1999.

## **background**

I issued a provisional decision in which I said I was minded to uphold Mr G's complaint and I asked the parties for their comments. Prudential did not respond. Mr G sent a copy of a letter he had received from his employers and I'll explain more about this below.

A copy of my provisional decision is attached below and it forms part of my final decision.

## **my findings**

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

For the reasons given in my provisional decision, I've upheld this complaint.

In response to my provisional decision, Mr G sent us a letter from his second employer. The letter supports my provisional findings that Mr G had another job when he bought the PPI. I accept the information provided by the employer and find that he worked in this job from 1994 to 2010.

I haven't seen anything that would cause me to change my provisional findings. So, for the reasons given in my provisional decision, I uphold this complaint and I require Prudential to take action to put things right.

## **putting things right**

Prudential should put Mr G in the position he would be in now if he hadn't taken out PPI. The policy should be cancelled, if it hasn't been cancelled already, and Prudential should:

- Pay Mr G the amount he paid each month for the PPI
- Add simple interest to each payment from when he paid it until he gets it back. The rate of interest is 8% a year<sup>†</sup>.
- If Mr G made a successful claim under the PPI policy, Prudential can take off what he got for the claim from the amount it owes him.

<sup>†</sup> HM Revenue & Customs requires Prudential to take off tax from this interest. Prudential must give Mr G a certificate showing how much tax it's taken off if he asks for one.

## **my final decision**

I uphold this complaint and I require The Prudential Assurance Company to comply with the above '*putting things right*' section.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 12 March 2018.

Nicola Bowes  
**ombudsman**

**Copy of my provisional decision**

**complaint**

Mr G complains that The Prudential Assurance Company Limited ('Prudential') mis-sold payment protection insurance ('PPI') to him when he took out a mortgage in 1999.

## **background**

Our adjudicator initially thought this complaint should be upheld. After considering further representations from Prudential, she then thought the complaint shouldn't be upheld. Mr G disagreed with that view and so the matter has been passed to me to make a final decision.

## **my provisional findings**

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

I've provisionally decided to uphold this complaint. I'll explain why below.

I think Prudential made a personal recommendation to Mr G to buy this particular PPI policy. So, they had to make sure it was suitable for his needs.

Mr G bought PPI after a number of meetings with Prudential in his home. At the time of the sale, Mr G had two jobs. The first was his '*main job*'. I don't know the hours Mr G worked in this role, but it's agreed between the parties that it was full-time. Mr G also told us that he had a second manual job that he did on a casual basis. He worked in this role to provide cover when others were '*off sick*'. He worked for approximately 10 hours per week at the same time as his '*main job*'. Mr G told us that he had worked in this role for approximately six years before he bought the PPI. He was offered the role on a full-time basis, but he turned it down.

To make a claim under the unemployment part of the PPI, Mr G would have to register as unemployed at a jobcentre and be available for and actively seeking work. In their response to our adjudicator, Prudential said that Mr G would still have been able to register as unemployed because his second job was for less than 16 hours per week.

I've thought about what Prudential says on that point, but it seems to me that Mr G's second job was fairly flexible. Mr G worked for 10 hours per week in addition to his main job. So, if he lost his main job, given the nature of the work, there could have been scope for him to work more than 16 hours at times. And he would not have been able to claim under the policy for any weeks in which he worked more than 16 hours.

In their response to our adjudicator's initial view, Prudential said that Mr G had not told their adviser that he had a second job as it was not noted on the fact-find document. They also questioned whether he could have held a second job if his first job was full-time. I've considered in some detail the fact-find document. The copy I have is not clear, but from what I can see, there isn't anywhere on that document for the representative to record that Mr G had a second job. I cannot see any reason why Mr G would not have mentioned this work to the Prudential adviser, particularly as the policy was sold after a number of meetings. I'm also not persuaded that the fact Mr G's '*main job*' was full-time would have prevented him from carrying out this part-time work at the same time.

Mr G has been consistent in his complaint to us that he had worked on a casual basis in his second job for six years before the PPI was taken out. Prudential's arguments don't persuade me that Mr G is wrong in his recollection.

So, it follows that I don't think the policy was suitable for Mr G's needs. If Prudential had pointed out the unsuitable aspects of this policy, I don't think Mr G would have bought it. I don't think he'd have thought it was good value for money and I think he'd have been concerned he might not be able to make a claim.

## **putting things right**

Provisionally, I think Prudential should put Mr G in the position he'd be in now if he hadn't taken out PPI. The policy should be cancelled, if it hasn't been cancelled already, and Prudential should:

- Pay Mr G the amount he paid each month for the PPI;
- Add simple interest to each payment from when he paid it until he gets it back. The rate of interest is 8% a year from then on†;
- If Mr G made a successful claim under the PPI policy, Prudential can take off what he got for the claim from the amount it owes him.

† HM Revenue & Customs requires Prudential to take off tax from this interest. Prudential must give Mr G a certificate showing how much tax it's taken off if he asks for one.

### **my provisional decision**

I have provisionally decided to uphold this complaint and I provisionally require The Prudential Assurance Company Limited to comply with the above '*putting things right*' paragraph.

I now invite all parties to submit any further evidence or comments they wish me to consider by 22 January 2018 after which I will issue a final decision.

Nicola Bowes  
**ombudsman**