

complaint

Mr and Mrs R say Bank of Scotland Plc (trading as Halifax) mis-sold them a mortgage payment protection insurance (MPPI) policy.

background

This complaint is about a monthly premium MPPI policy taken out in 2002. The policy was linked to a mortgage and was taken out during a meeting.

Our adjudicator didn't uphold the complaint. Mr and Mrs R disagreed with the adjudicator's opinion so the complaint has been passed to me.

my findings

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

We've set out our general approach to complaints about the sale of MPPI on our website and I've taken this into account in deciding Mr and Mrs R's case.

I've decided not to uphold Mr and Mrs R's complaint because:

- Mr and Mrs R say they took out MPPI because they thought they had to have it to get their mortgage, but they've not given much detail about what was said. And Halifax hasn't been able to give us much paperwork from when the policy was taken out to show how it was presented to Mr and Mrs R. But from what I know about Halifax's sales process at the time, I think it's likely that it would've made Mr and Mrs R aware that MPPI was optional and that they chose to take it. I've not seen enough to say that they weren't given a choice or that they didn't agree to buy it.
- Halifax recommended the MPPI to Mr and Mrs R, but it doesn't look as if it was unsuitable for them based on what I've seen of their circumstances at the time. Mr and Mrs R both had benefits from work which would help them if they were off work sick, but the policy would've paid out in addition to their work benefits, and would've continued for longer than six months, when their sick pay would've reduced. And they say they could've asked for financial help from family – but help from family isn't guaranteed. So I think Mr and Mrs R would still have found MPPI useful.
- I haven't seen much to show how Halifax explained the cost of MPPI to Mr and Mrs R – so it seems better information could've been given to them. But even if it had been, I think Mr and Mrs R would've still bought the policy.
- It's possible Halifax didn't point out the main things the policy didn't cover. But from what I've seen of Mr and Mrs R's circumstances at the time they took MPPI, it's unlikely they would've been affected by any of these.

my final decision

For the reasons set out above, I don't uphold Mr and Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs R to accept or reject my decision before 19 February 2016.

Helen Sutcliffe
ombudsman