

complaint

Mr M complains that Lloyds Bank plc mis-sold him a payment protection insurance (“PPI”) policy. The complaint is brought on his behalf by a claims management company.

background

This complaint is about a credit card PPI policy. It’s likely that the policy was added to the card when Mr M applied for it in 1996, or shortly afterwards.

Our adjudicator did not uphold the complaint. Mr M disagreed with the adjudicator’s opinion saying, in summary, that he wasn’t told anything about the PPI, either when he opened the account or at any time afterwards.

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 PPI on our website and I’ve taken this into account in deciding Mr M’s complaint.

Lloyds doesn’t have a full record of the sale, which isn’t surprising given it took place so long ago. In cases like this, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I’ve decided not to uphold Mr M’s complaint because:

- Lloyds doesn’t have a copy of Mr M’s application form, but has shown us a sample of the form Mr M would, in all likelihood, have completed. This included a separate section headed, “*TSB Credit Card Payments Insurance*” and there was a box to tick. I think it’s more likely than not that Mr M ticked this box – or the member of staff ticked it for him following a discussion. Mr M would’ve then, most likely, been given the opportunity to read through the form to confirm the details were correct before signing it. So, on balance, I think Lloyds made Mr M aware that the PPI was optional and that he chose to take it – although I can understand why he can no longer remember this, given it took place so long ago.
- It’s not clear whether advice was given so, to be fair to Mr M, I’ve considered the case to the higher standard of an advised sale. Mr M told us he wouldn’t have received any pay from his employer if he couldn’t work due to sickness or an accident and that he didn’t have any other means of meeting the monthly payments. The PPI would’ve met his monthly repayments for up to 12 months if he couldn’t work and covered him if he’d become unemployed. So I think the PPI could’ve been a useful benefit for him. Overall, it doesn’t look as if the PPI was unsuitable for him based on what I’ve seen of his circumstances at the time.

- It's possible the information Lloyds gave Mr M about the PPI wasn't as clear as it should have been. But Mr M chose to take out the policy and so appears to have wanted this type of cover. He was not affected by any of the exclusions or limitations and the policy was competitively priced and apparently affordable. So I think it unlikely Mr M would have made a different decision if better information had been provided. On balance I think he would still have taken out the policy.

my final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 December 2018.

Elizabeth Dawes
ombudsman