

complaint

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

background

This complaint is about a credit card PPI policy. Lloyds thinks it was probably taken out in 1997 when Mrs T applied for the card.

Our adjudicator did not uphold the complaint. Mrs T disagreed with the adjudicator’s opinion so the case has been passed to me.

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 Mrs T’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 Mrs T’s complaint because:

- The credit card application form, which in all likelihood Mrs T would’ve completed, included a separate section headed, “*TSB Credit Card Payments Insurance*” and there was a clear tick box. So I think, on balance, Lloyds made Mrs T aware that the PPI was optional and that she chose to take it – although I can understand why she can’t remember this as it took place so long ago.
- It’s not clear whether advice was given so, to be fair to Mrs T, I’ve considered the case to the higher standard of an advised sale. It doesn’t look as if the PPI was unsuitable for her based on what I’ve seen of her circumstances at the time. She’s told us she recalls she would’ve received six month’s full pay followed by six month’s half pay if she couldn’t work due to sickness or an accident. But the PPI would’ve paid out for up to 12 months in the event of a successful claim and covered her if she’d become unemployed. So I conclude it could’ve been a useful benefit for her, in addition to her existing arrangements.
- It’s possible the information Lloyds gave Mrs T about the PPI wasn’t as clear as it should have been. But Mrs T chose to take out the policy and so appears to have wanted this type of cover. She wasn’t affected by any of the exclusions or limitations and the policy was competitively priced and apparently affordable. So I think it unlikely Mrs T would have made a different decision if better information had been provided. On balance I think she would still have taken out the policy.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 5 December 2018.

Elizabeth Dawes
ombudsman