complaint

Mr and Mrs D say Bank of Scotland plc, then Leeds Permanent Building Society, mis-sold them a mortgage payment protection insurance (MPPI) policy.

background

This complaint is about a monthly premium MPPI policy Mr and Mrs D took out to protect their monthly mortgage repayment. The MPPI only covered Mr D.

Mr and Mrs D said the MPPI was sold in 1988 when they first took out their mortgage. But Bank of Scotland said it started in 1992. Bank of Scotland doesn't have all of the mortgage paperwork, but its records said the MPPI started in 1992. Based on the information that I had, I thought it was most likely that the MPPI did start in 1992. So when I looked at Mr and Mrs D's complaint, I took into account what they'd told us about their circumstances at that time.

I issued my provisional decision in November 2015. I explained I didn't intend to uphold this complaint because:

- I'd not seen enough to make me think that Mr and Mrs D didn't have a real choice about whether to take out MPPI or not.

- The MPPI didn't look unsuitable for Mr D based on what I'd seen of his circumstances at the time. Mr D told us he worked full time so he didn't need the insurance. But he also said that his employer didn't offer him any sick pay and that he'd got no savings to fall back on. So I thought Mr and Mrs D could've found the policy useful if Mr D had been made redundant or fallen ill.

- I thought it was possible that Mr and Mrs D didn't know how much they would need to pay for the policy before they bought it. But looking at the level and potential term of the benefit it offered, I thought that Mr and Mrs D would've still decided to buy the MPPI if its cost had been explained clearly.

- I also thought it was possible that Mr and Mrs D weren't made aware of the main things the policy didn't cover. But I didn't think that Mr D would've been affected by any of these. I'd not seen anything to make me think that Mr D was in poor health at the time. And there wasn't anything about Mr D's employment situation that made me think he would've found it difficult to make an unemployment claim.

Neither Bank of Scotland nor Mr and Mrs D responded to my provisional decision with any further comments or evidence.

my findings

I've reconsidered 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 and Mrs D's case.

As neither party has provided any new information for me to consider, I see no reason to depart from the conclusions set out in my provisional decision and summarised above.

my final decision

For the reasons I've explained, I don't uphold Mr and Mrs D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs D to accept or reject my decision before 5 February 2016.

Claire Marsh
ombudsman