

## **complaint**

Mrs M complains that she was mis-sold payment protection insurance (PPI), with a store card.

It's been agreed in this case that Financial Insurance Company Limited (FICL), as the insurer, should accept responsibility for the complaint. So to keep things simple, I'll refer just to FICL in my decision.

## **background**

Mrs M opened a store card account in 2000. She also bought a regular premium PPI policy.

The policy was to pay part of the outstanding monthly balance on her card if she couldn't work because of injury or illness, or if she lost her job. It also gave her life and other cover.

Mrs M has raised various issues about how the PPI was sold to her. In particular, she says she wasn't told it was optional. She complains that its cost and terms weren't explained to her. And she feels her employee benefits at that time meant she didn't need PPI.

Our adjudicator took the view her complaint shouldn't be upheld. Mrs M disagrees, so the case has been passed to me for a 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 Mrs M's case.

For the reasons I've explained below, I'm not upholding Mrs M's complaint.

*did FICL give Mrs M a fair choice?*

Both Mrs M and FICL think the PPI was sold face to face, in a store. And that's probably right.

But I've not got any notes of that meeting. So I don't know what the staff in the store may've told Mrs M about PPI, before she agreed to buy it.

I've looked at what the documents show Mrs M was told about whether the PPI was optional - in particular, the application form / credit agreement that she signed for the card. And I see she signed it separately too, in the relevant place, to say she'd like to have PPI cover.

So I think Mrs M would've understood from this that she didn't have to take out the PPI, in order to get the card.

In my view, it's likely Mrs M was made aware she had a choice and that she decided to buy PPI, even if she doesn't recall that now, many years later.

*was any advice or information that FICL gave her good enough?*

Mrs M doesn't think FICL recommended her to buy the PPI. FICL agrees. And I think that's right. The application form says FICL 'recommends' taking out PPI, but in my view that's just a general statement and not specific to Mrs M.

So I don't think FICL had to find out about her needs and make sure the policy was right for her. Mrs M had to decide that for herself. But FICL still had to provide Mrs M with good enough information about the policy, so she could make her decision whether to have it.

FICL says Mrs M was given enough information. But from what I've read and been told, I'm not satisfied that's right.

Without any notes of the discussion in the store, I don't know what – if anything - she's likely to have been told about the cost or main features of the PPI, before buying it. And there aren't any details about the PPI in the copy application form / agreement I've been given. There's only a very brief summary of what it's for, and a comment that it would cost 'just a penny in the pound' of her monthly balance.

FICL says that written details of the policy would've been given to Mrs M. But this would probably only have been after she'd already agreed to take it out. So it doesn't show that the policy's cost and key terms had been made clear to her before she decided to buy it.

But I think Mrs M would probably have taken out the PPI anyway, even if she'd been given better information about it.

That's because, based on what we've been told about her circumstances at the time she bought the PPI, and on what we know of the likely policy terms, Mrs M was probably eligible for it. And I've not seen anything to make me think she would've found it particularly difficult to make a claim under the policy. Or that any of the main things it didn't cover would've caused her concern.

Mrs M tells us she'd have got sick pay through her job, amounting to full pay for 6 months and then half pay for 6 months after that. And that she'd have got a good payment if she'd been made redundant. And I've thought carefully about that.

But the benefits under the PPI policy would've been on top of any sick pay or redundancy payment, leaving those available for meeting her day to day expenses. And as far as I know she didn't have any significant savings or other means of making the card repayments, without PPI.

So, even taking into account her workplace benefits, I think the PPI could've been useful for Mrs M and given her some peace of mind.

I see from the application form she signed that the PPI cover was to cost her £1 for each £100 of any outstanding account balance. And from what we've been told by FICL about the benefits of the policy, she would've been covered for 15% of her monthly balance. I think she would probably have felt this was good value, in her situation.

Mrs M's representatives have referred me to some other decisions by this Service which they feel are relevant. But we decide each case on its individual facts and merits. And I've explained above why I think it's fair and reasonable not to uphold this particular complaint.

*my overall view*

From what we've been told and the documents I've seen, I'm not satisfied FICL did everything it should've done when it sold Mrs M the PPI policy.

But, like our adjudicator, I don't think any failings in the information that FICL gave Mrs M will've affected her decision. Taking into account what I know of her circumstances at that time, I think she'd probably still have bought the PPI cover, if she'd been better informed.

So I don't think she's worse off as a result of anything FICL did wrong. Which means there's nothing FICL needs to do to put things right.

I realise Mrs M will be disappointed by my decision. And I've carefully considered all the points she's made. But on balance, based on the information I've got, I don't think I can fairly and reasonably say that the PPI was mis-sold.

**my final decision**

For the reasons I've explained, I've decided not to uphold Mrs M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 5 November 2015.

Chris Langford  
**ombudsman**