

complaint

Mr A says Argos Home Retail Group Cards mis-sold him a payment protection insurance ('PPI') policy with a store card. That business's full name is Home Retail Group Card Services Limited; and it was an appointed representative of Home Retail Group Insurance Services Limited (Home Retail Group).

background

In 2005 Mr A applied for a store card. When he called Home Retail Group to let them know he'd received it safely, they advised him to buy a PPI policy.

The PPI cost £1.30 per £100 of outstanding card balance each month. If Mr A was off work sick or lost his job it would pay 15% of his outstanding card account balance – until he went back to work or the balance was paid off. It would also pay off the balance if he died, was diagnosed with a critical illness or became a carer.

Our adjudicator upheld Mr A's complaint. They didn't think Home Retail Group would've made it clear enough to Mr A during the telephone call that he had a choice about buying the PPI.

Home Retail Group disagreed. It said the call script it would have followed shows it would've made Mr A aware he had a choice and would've asked him if he agreed to buy the PPI.

I issued my provisional decision to Mr A and Home Retail Group on 26 August 2015. In my provisional findings I explained why I wasn't minded to uphold Mr A's complaint. I've copied my provisional findings below.

my provisional findings

I've considered all the available evidence and arguments to provisionally 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 A's case.

I realise Mr A will be disappointed. But, I don't intend to uphold this complaint.

Mr A says he doesn't remember being sold the insurance. He says he wouldn't have taken out the policy because it was unnecessary given he had the ability to repay the borrowing if he needed.

Home Retail Group doesn't have a recording of the call where it sold Mr A the PPI. But it's given us a script it says its sales staff would've used. I've looked at that script and I've also thought about the wider circumstances around the sale. After doing so, I think Mr A would've known he had a choice about buying the PPI and would've been asked to agree to buy it.

I say this because:

- *Mr A already had his store card when he called Home Retail Group. And from the content of the script I think it would've been clear to Mr A that the call was used to*

discuss PPI (and purchase protection), and that these were separate products to the card itself.

- I can see that the script – after outlining the benefits and cost of the policy - required the adviser to ask Mr A if the policy was ok. And I think Mr A would've understood he was being asked whether he agreed to have the PPI added to his card account. I don't think he would've been confused about what he was being asked to agree to.*
- Mr A doesn't have a very clear or detailed recollection about how the policy was sold. So I don't have any reason to think the call wouldn't have broadly followed the content of the script in this case.*
- Given what we know about Home Retail Group's sales process and culture – I don't think Mr A would've been made to feel he had to buy the PPI.*

As Home Retail Group advised Mr A to buy the PPI I've also considered whether it was right for him. I think it was right for him, because:

- There was nothing in Mr A's circumstances to suggest he couldn't apply for the policy. And he was working and in good health when he took out the PPI. So, it looks like he was able to benefit from all the cover it offered if he needed to.*
- I've taken into account Mr A's sick pay and savings that he said he had at the time. But the PPI would have paid benefit on top of this and potentially for longer. It also covered Mr A if he lost his job and repaid any outstanding balance if he were to die. So I think the PPI did offer Mr A potentially useful cover. And it looks like he could afford it.*

I've also looked at the information Home Retail Group gave Mr A about the PPI.

I think the cost could've been made clearer to Mr A, including that the premiums would have to be added to his card balance and that he'd pay interest on them. And that he'd still have to pay the premiums even if he made a claim. I also can't be sure Home Retail Group properly explained all the things the PPI didn't cover.

But I've also taken into account his circumstances and the fact that he doesn't seem to have been affected by any of the things the PPI didn't cover. After doing so, I think Mr A would still have taken the policy out even if Home Retail Group had given him different, or more, information.

This means Mr A isn't worse off as a result of anything Home Retail Group did wrong and there's nothing it needs to do to put things right.

responses to my provisional decision

Our adjudicator contacted Home Retail Group and Mr A's representatives to confirm they had received my provisional decision. Both Mr A and Home Retail Group said they were aware of the deadline in my provisional decision to provide any further submissions. That deadline has now passed and neither Mr A nor Home Retail Group have given me any further evidence or submissions to consider.

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 Mr A's case.

Because I've not seen any new evidence and Mr A and Home Retail Group haven't given me any more submissions, I can't see any reason to reach a different decision to the one in my provisional decision.

So, for the reasons above, I've not seen anything to make me think that Mr A is worse off as a result of anything Home Retail Group did wrong. And there's nothing Home Retail Group needs to do to put things right.

my final decision

My final decision is that Mr A's complaint is not upheld. And I make no award against Home Retail Group Insurance Services Limited.

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

Kristina Mathews
ombudsman