

## **complaint**

Miss G 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**

Miss G opened a store card account in 1995. She also bought a regular premium PPI policy.

The policy would've paid 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.

Miss G has raised various issues about how the PPI was sold to her. In particular, she says she was led to believe she had to have PPI. She complains that its terms and cost weren't properly explained to her. And she feels her financial situation at that time was such that she didn't need it.

Our adjudicator took the view her complaint shouldn't be upheld. Miss G 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 Miss G's case.

For the reasons I've explained below, I'm not upholding Miss G's complaint.

*did FICL give Miss G a fair choice?*

Miss G thought she'd bought the PPI in 1997. But FICL's records, and the agreement she signed, say it was 1995. So I think that's likely to be right.

Both Miss G and FICL think the PPI was sold face to face, in a store. And that's probably correct.

I've not got any notes of the discussion in the store. So I don't know what the staff in the store may've told Miss G about PPI, before she agreed to buy it.

But I think Miss G would've understood that she didn't have to buy the PPI in order to get the card. I say that particularly because I've looked at the application form / credit agreement that Miss G signed.

It's not a good quality copy, so it's not easy to read. But I can see that there's a tick in the box for wanting to take out PPI.

Miss G's representatives have pointed out there was no separate signature required for the PPI. And they've said there's no proof that Miss G ticked the box herself. But in my view, it's likely she signed the form with the box ticked for wanting PPI. Whether she'd ticked it or the sales adviser had done it, I think this shows she was made aware she had a choice, and had decided to buy it.

Miss G has also suggested she felt pressured or intimidated into buying the PPI. But I've seen nothing to show me clearly that FICL put unreasonable pressure on her to have it.

So, on balance, I think it's likely Miss G knew she could choose whether or not to have PPI, and that she decided to buy it - even if she doesn't recall that now, many years later.

Miss G has also complained that she wasn't told she could buy PPI from someone else, if she wanted to. But in my view FICL didn't have to do that. It was enough if FICL made her aware she was free to decide whether or not to buy the PPI. And I think it probably did that.

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

Miss G doesn't think FICL recommended that she should buy the PPI. FICL agrees. And I think that's right. It's possible the application form she filled in might've said the PPI was 'strongly recommended', but if so I think that was a general comment and not personal to Miss G.

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

FICL says Miss G 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 can'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 as far as I can tell, there aren't any details about the PPI in the application form / agreement - just a very brief summary of what it's for.

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

But I think Miss G would probably still have taken out the policy, 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 what we know of the likely policy terms, Miss G 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.

Miss G tells us she'd have got sick pay through her job, amounting to full pay for 6 months. And that she had about £3000 in savings at that time. So I've thought carefully about that. But the benefits under the PPI policy would've been on top of any sick pay, redundancy payment or savings, leaving those available for meeting day to day expenses.

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

And from what we've been told by FICL about the likely cost and benefits of the policy she bought, she was probably paying a premium of no more than £1, and possibly much less, for each £100 of her outstanding account balance. And she would've been covered for 15% of the monthly balance. I think it's likely she'd have felt this was good value in her situation.

*my overall view*

I don't have much information about how Miss G came to buy the PPI, or what FICL told her about it. Based on what I've been told, I'm not satisfied FICL did everything it should've done when it sold her the policy.

But, like our adjudicator, I don't think any failings in the information that FICL gave Miss G will've affected her decision. Taking into account what I know of her circumstances at that time, I think she'd probably still have taken out 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.

With so few documents available, and 20 years after the sale, this has been a difficult complaint to decide. I know Miss G will be disappointed by my decision. And I've carefully considered all the points she's made. But on balance, based on the very limited information I've got, I don't think I can fairly and reasonably say that the PPI was mis-sold to her.

**my final decision**

For the reasons I've explained, I've decided not to uphold Miss G's complaint.

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

Chris Langford  
**ombudsman**