

complaint

Mr and Mrs B complain that Bank of Scotland plc mis-sold them a mortgage payment protection insurance ("PPI") policy in 2009.

background

The complaint was looked at by an adjudicator who didn't think that Mr and Mrs B's complaint should be upheld. Mr and Mrs B didn't agree with this and asked for the case to be reviewed.

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 explained our approach to complaints about PPI on our website, and I've used this approach in this case.

Having considered all the available evidence and arguments, I've found that:

- Bank of Scotland recommended the PPI to Mr and Mrs B. This meant it had to make sure the policy was suitable, as well as giving Mr and Mrs B the information they needed to decide whether to take it out.
- Mr and Mrs B were eligible for the PPI as they met the policy rules about their age, where they were living and their employment status.
- Bank of Scotland has said that Mr and Mrs B would have been given a choice about whether to take out the policy. In this case I note that Mr and Mrs B held the mortgage since 2006 without any policy in force. So I think they would have understood that this was something they could say no to. And I note the insurance is described as '*Optional Insurance*'. So, it appears most likely that Mr and Mrs B would have known that this was an optional product.
- There were some things the policy didn't cover. But Mr and Mrs B wouldn't have been affected by any of those.
- Bank of Scotland has provided us with an illustration to show how it would have set out the cost and benefit of the policy, giving Mr and Mrs B enough information to decide if they wanted to take it.
- At the time of the sale Mr and Mrs B had a financial commitment secured against their home. As such, I consider that the policy provided Mr and Mrs B with a useful additional benefit over and above any employment benefits they had to protect their home in the event that it was necessary for them to make a claim. I'm not persuaded Mr and Mrs B would have avoided protecting their repayments, for a cost of around £28 a month, given the serious consequences of defaulting on a debt secured against their home.

I've carefully reviewed all of the information provided to me. As a result I'm not persuaded, for the reasons given above, that the policy was mis-sold.

my final decision

I don't uphold this complaint against Bank of Scotland plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs B to accept or reject my decision before 19 February 2016.

Douglas Sayers
ombudsman