

complaint

Mrs S complains that Lloyds Bank plc mis-sold her a payment protection insurance (“PPI”) policy. The complaint is brought on her behalf by a claims management company.

background

This complaint is about a credit card PPI policy taken out in or around 1997. The policy was most likely added to Mrs S’s credit card account when she applied for the card.

Our adjudicator did not uphold the complaint. Mrs S disagreed with the adjudicator’s opinion. She said, in summary, that Lloyds has failed to provide any information on the point of sale. In the circumstances, she should at least be entitled to a percentage of the refund.

my findings

I’ve considered all the available evidence and arguments to decide what is 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 S’s complaint.

Lloyds hasn’t been able to provide any paperwork from the time of the sale, which isn’t unreasonable given it took place so long ago. So I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I’ve decided not to uphold Mrs S’s complaint because:

- I think Lloyds made Mrs S aware that the PPI was optional and that she chose to take it – although I can understand why she can no longer remember this. I say this because the application form which, in all likelihood, Mrs S would’ve completed included a separate section headed “*TSB Credit Card Payments Insurance*” and Mrs S would’ve ticked the box to confirm that she wanted it, most likely after a discussion with the bank. So I think it did enough to make the optional nature of the policy clear.
- As it’s not clear whether advice was given, and to be fair to Mrs S, I’ve considered the case to the higher standard of an advised sale. This means Lloyds had to make sure the policy was suitable for her needs. It doesn’t look as if it was unsuitable for her based on what I’ve seen of her circumstances at the time. She told us she would have received less than three month’s pay from her employer if she couldn’t work due to sickness or an accident and that she had no other means of meeting her credit card repayments if she couldn’t work. The PPI would’ve met her repayments for up to 12 months in the event of a successful claim and would’ve covered her if she’d become unemployed. So I think the PPI could’ve been a useful benefit for her.
- It’s possible the information Lloyds gave Mrs S about the PPI wasn’t as clear as it should have been. But Mrs S chose to take out the policy and so appears to have wanted this type of cover. She was not affected by any of the exclusions or limitations and the policy was competitively priced and apparently affordable. So I think it unlikely Mrs S would have made a different decision if better information had been provided. On balance I think she would still have taken out the policy.

my final decision

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 22 February 2018.

Elizabeth Dawes
ombudsman