

## **complaint**

Mrs C says she was mis-sold payment protection insurance ('PPI'). ITC Compliance Limited has accepted responsibility for the complaint so I will refer to "ITC" in my decision.

## **background**

Mrs C bought a car on hire purchase through ITC in 2008. She also purchased a single premium PPI policy to protect her repayments should she have found herself unable to work due to accident, sickness or involuntary unemployment. Mrs C added to her borrowing to pay for the PPI. Mrs C has raised a number of concerns about the sale of the PPI.

An ombudsman has looked at the complaint and sent a provisional decision to both parties. The provisional decision was to not uphold Mrs C's complaint. Mrs C and ITC were invited to provide further comments for consideration ahead of a final decision being issued. Neither party had anything further to add.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I have reached the same conclusion as set out in the provisional decision and for the same reasons. I summarise these findings below.

Mrs C says she wasn't told that the PPI was optional. But I'm satisfied that the PPI was presented as optional and that Mrs C knowingly chose to take it out. I say this because she ticked a box on her hire purchase agreement to take out PPI, and has signed the agreement in two places to confirm her purchases. I recognise that Mrs C says her husband had been told in the previous month that PPI was compulsory so she thought she had to take it too. But I don't think her husband's experience during a different sale means that she was told on this particular occasion that she had to take PPI – especially given the documentary evidence outlined above.

ITC had a duty to ensure the policy was suitable for Mrs C. I don't know what steps it took to do this. But having reviewed Mrs C's circumstances at the time of sale, I think the PPI was suitable. I say this because there's nothing to suggest Mrs C was ineligible for the policy or would have been unable to benefit from its full range of cover. There was also a need for the policy as Mrs C was taking on a significant amount of borrowing and the possibility of default was very real – as it would be for any one – and the consequences of this would have been significant. The policy would have paid out in addition to, and for longer than, Mrs C's sick pay and would have paid out in the case of unemployment as well – and I don't think Mrs C's family could have necessary met her repayments should she have been unable to work. I haven't seen anything that makes me think the cancellation terms of the PPI would have made the policy unsuitable either. And I don't think the cost of the policy was unaffordable, or was disproportionately expensive given its benefits.

ITC also had a responsibility to ensure it gave Mrs C information that was clear, fair and not misleading so that she could make an informed decision about her PPI. I'm satisfied that ITC would have explained the main benefits of the policy because doing so would have made it seem it more attractive. And the cost of the PPI was provided on the hire purchase agreement referred to above. So I think Mrs C was given information on the costs of the PPI and what its main benefits were.

I accept it's possible that ITC didn't provide *all* the information that it should have. But I don't think its responsibilities extended to advising Mrs C of cheaper policies that might have been available from its competitors as Mrs C seems to suggest. And I don't think any failure on ITC's part to provide the information that it should have done would have made a difference to Mrs C's decision to buy the PPI. I think better information would have just shown Mrs C that the policy was suitable for the reasons given above. So I don't think she would have lost out as a result of anything ITC might have done wrong in the way it provided information.

It follows that I do not uphold Mrs C's complaint.

**my final decision**

For the reasons given above, I do not uphold Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs C to accept or reject my decision before 8 April 2016.

Christian Wood  
**ombudsman**