

complaint

Mr H complains that Lloyds Bank plc mis-sold payment protection insurance (PPI) to him.

background

In 1993 Mr H opened a TSB Trustcard account. The same account continued (with two different card numbers) until about 2006 (though by then TSB had merged into Lloyds TSB – now Lloyds - which is now responsible for the complaint). We know that by 2000 Mr H had been sold monthly premium PPI to protect repayments on that account. Mr H told us that he hadn't known PPI had been added to his account. He said he didn't need it and wouldn't have bought it.

Our adjudicator recommended that the complaint was not upheld. Mr H disagreed so the complaint has been passed to me for review and a final 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 considering Mr H's case.

First I want to address the comments Mr H has made about different accounts he had. What we have been investigating is, as I described in the background section, the sale of PPI on a credit card account which began as a TSB Trustcard account in 1993 and ended as a Lloyds TSB account in about 2006. The computer records I have seen from Lloyds do show that Mr H had another account, with the other account number he gave in his response to the adjudicator's view. But they don't show whether he had PPI on that. And I'm not able to cover any issues he might have had about that other account in this decision, or about any even earlier account from the 1970s he suggests he had.

Understandably, after about 25 years, Lloyds doesn't have any documents Mr H was likely to have signed when he opened the Trustcard account in 1993. But it has been able to supply some limited computer records, copies of some statements on the account and a sample credit agreement. But the statements only go back to 2000 so, although we know Mr H was paying for PPI by then, it could have been sold any time between 1993 and 2000. In cases like this, where the evidence is incomplete or contradictory, I have to make my decision on the balance of probabilities – that is, to decide what is most likely to have happened.

I think it is probably most likely the PPI was sold back in 1993, when the account was set up. Lloyds has supplied a sample Trustcard application form from 1993, which shows that applicants were given a clear choice about whether or not to add PPI to their card – there are equally prominent boxes to tick either to say you do or do not want to take PPI. And from our experience we know that forms used, in later years up to 2000, generally gave customers a clear choice about whether or not to take PPI. I note that Mr H's representative has also said that Mr H has told it that he agreed to take the PPI as he did not want to offend - though previously he told us that he didn't know PPI had been applied to his credit card. But I couldn't expect him to remember details of arrangements for his credit card from so long ago. So overall, from the available evidence, I think it is likely that at the time Mr H agreed to take the PPI, knowing that it was optional. And I don't think I have adequate grounds to conclude that he had been put under undue pressure to take it.

If Lloyds advised Mr H to take the PPI, it needed to have checked that it was suitable for him. We don't know whether or not Lloyds gave Mr H advice. But even if it did, from what I know of Mr H's circumstances and the terms of the policies offered, I think the PPI was suitable for him.

- Mr H was eligible for the policy.
- He wouldn't have been affected by any of the limitations in the policy (such as those about existing medical conditions) which might make it particularly difficult for some people to make a successful claim.
- I think the PPI could have been useful for him. Although Mr H had some sickness and redundancy pay entitlement from work, and some savings, the PPI would have covered his repayments for longer and would have paid out on top of any pay from work for sickness or compulsory redundancy.

There might have been areas in which Lloyds didn't give Mr H as much information as it should have done. But the PPI was competitively priced. And for much the same reasons that I've decided the policy was suitable, my view is that better information would not have put him off taking out the PPI.

When on balance, I don't think I have sufficient evidence that Mr H has lost out because of anything Lloyds might have done wrong, I don't have grounds to uphold his complaint.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 March 2018.

Hilary Bainbridge
ombudsman