

complaint

This complaint is about monthly premium payment protection insurance (PPI) policies taken out with personal loans in 2006 and 2010. Miss A says Number One Police Credit Union Limited, trading as Number One Copper Pot Credit Union (NOPCU) mis-sold her the PPI.

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 Miss A's case.

I've decided the policy wasn't mis-sold and I'll explain why.

Miss A has said the PPI was added without her consent. NOPCU has said it would have been up to Miss A to take the PPI or not. Where there's a dispute about what happened, I have to base my decision on what I think is most likely to have happened, taking into account all the evidence that is available.

NOPCU has provided a copy of the application completed at the time for the 2006 sale. I can see there are three options on the application:

- to take accident, sickness and unemployment cover;
- to take accident and sickness cover only; or
- to decline to take any PPI cover.

I can see the option to take accident and sickness cover only has been selected and Miss A has signed the form. NOPCU has also provided a copy of the loan agreement from the 2006 sale. I can see there is another opportunity to select or decline PPI and again PPI has been selected with accident and sickness cover specifically. Miss A has signed the form. By signing the documents, I think it's more likely that Miss A wanted the cover and agreed to take it out, knowing she didn't have to.

The 2010 sale was conducted online. NOPCU has provided a copy of the loan application – which is a reflection of the information that was inputted online. I can see PPI has been chosen – specifically with accident and sickness cover only. A copy of the loan agreement has also been provided. I can see there is another opportunity to select or decline PPI and again PPI has been selected with specifically accident and sickness cover. Miss A has signed the form. By signing the agreement I think it's more likely that Miss A wanted the cover and agreed to take it out, knowing she didn't have to.

So having everything in to consideration for both sales, I think NOPCU made it clear that Miss A didn't have to take out the PPI and she chose to take it out – although I can understand why she can't remember this now many years later.

NOPCU didn't recommend the PPI to Miss A so it didn't have to check if it was right for her. But it did have to make sure Miss A got the information she needed to decide if it was right for her.

It's possible the information NOPCU gave Miss A about the PPI wasn't as clear as it should've been. But she chose to take out the PPI - so it looks like she wanted this type of

cover. Based on what I've seen of her circumstances at the time it doesn't look like she was affected by any of the exclusions to or limits on the PPI cover - so it would have been useful for her if something went wrong. It also looks like the PPI was affordable. So I don't think better information about the PPI would have put her off taking out the cover.

Miss A has said she would have received six months' full followed by six months' half sick pay from her employer if she was too ill to work. But the PPI policy could've covered Miss A's repayments for up to 24 months per claim if she became too ill to work. It would've paid out in addition to any sick pay or savings she had and for longer than her sick pay lasted. So I still think the PPI could have been useful for her.

I've thought about everything Miss A has said but these points don't change my decision. I've also thought about the commission Miss A paid on her policy – and whether NOPCU treated her unfairly.

NOPCU has told us that the commission for Miss A's policy was less than half of what she paid for each premium. We've looked at how NOPCU has been working this out and based on what we've seen it looks like it's right – Miss A's commission was less than half the cost of the policy. As that's the case, I don't think it needed to tell her about the commission – so I don't think NOPCU treated her unfairly. This means it doesn't need to pay Miss A back any of the commission she paid for the PPI.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss A to accept or reject my decision before 18 February 2019.

Sonia Hussain
ombudsman