

## **complaint**

This complaint is about a mortgage payment protection insurance (“PPI”) policy taken out in January 2000 to go with some additional borrowing. Mr and Mrs C say Yorkshire Building Society (“YBS”) mis-sold them PPI.

Only Mr C was covered by the policy, which included cover for accident and sickness.

## **background**

The background and circumstances leading up to this complaint, which includes Mr and Mrs C’s circumstances at the time of the sale as well as the PPI policy benefits, limitations and exclusions of cover, aren’t disputed. So I haven’t repeated all of this information here.

Our adjudicator did not uphold the complaint.

Mr and Mrs C’s representative disagreed with the adjudicator’s opinion – they didn’t raise any new or additional points but repeated the same complaint points and arguments they’d previously made.

As the complaint couldn’t be resolved informally, it has been passed to me for a final decision.

## **my findings**

Although I have only included a summary of the complaint, I have read and considered all the evidence and arguments available to me from the outset, in order to decide what is, in my opinion, fair and reasonable in all the circumstances of this complaint.

When considering what is fair and reasonable, I am required to take into account relevant: law and regulations; regulators’ rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

We’ve set out our general approach to PPI mis-sale complaints on our website and published some example final decisions that set out in detail how these relevant considerations may apply to PPI sales like Mr and Mrs C’s. I haven’t set out that detailed information here but I’ve taken into account all relevant considerations in deciding Mr and Mrs C’s complaint.

Having done so, I’ve decided not to uphold this complaint and I’ve summarised my reasons for this conclusion below:

- I think YBS made it clear that Mr and Mrs C didn’t have to take out the PPI and they chose to take it out. I say this because I’ve seen that Mr C filled out a separate PPI application on which he specified that he and Mrs C only wanted accident and sickness as well as the level of benefit they wanted and how long they’d be willing to wait before making a claim. And I’ve seen that as an incentive the policy was free for the first 6 months, which also demonstrates it wasn’t something that had to be taken.
- YBS didn’t recommend the PPI to Mr and Mrs C - so it didn’t have to check that the PPI was right or suitable for them. But it did have to give Mr and Mrs C enough clear and timely information so they could decide for themselves if it was right for them.

- It's possible the information YBS gave Mr and Mrs C about the PPI wasn't as clear as it should've been. But I've found that they chose to take it out - so it looks like they wanted this type of cover. The cover wasn't fundamentally wrong for Mr C. Although Mr C says he'd had a broken arm in 1981, this was many years before he took out the cover and had no further impact on his general health. So I don't think better information about the policy's medical condition exclusion would've caused Mr and Mrs C to change their minds about taking out the policy
- It also looks like the policy was affordable and a cost that Mr and Mrs C were willing to take on – and it seems like it would have been useful for them if something went wrong. Because of this I don't think Mr and Mrs C would have declined the cover had YBS done anything more.

Overall, I consider that Mr and Mrs C would have still taken out PPI. The policy was sufficiently close to what it's likely they thought they were getting, and I think the policy could provide a useful benefit in a difficult time, given their circumstances at the time. And in those circumstances, I think that they would have taken out the policy in any event.

Mr and Mrs C's representative has raised a number of what I consider to be general complaint points, which it says apply to all PPI complaints. These general points include: a claim that the Financial Ombudsman Service is not correctly applying the regulator's rules and guidance for handling PPI complaints; these policies represented poor value because of the number of significant exclusions and limitations of cover coupled with the low claims ratio; and the duty of utmost good faith meant YBS should have disclosed the poor value and explained the significance of the limitations and exclusions and the impact it had on the chances of making a claim.

But Mr and Mrs C's representative has not said how these points apply to the specific facts and circumstances of Mr and Mrs C's individual complaint – just that they apply to all PPI complaints.

I have thought about these things and how they might apply in Mr and Mrs C's particular case. But these points don't persuade me to alter my conclusions about what is fair and reasonable in all the circumstances of the complaint – for the reasons I've set out above I don't uphold this complaint.

This means YBS doesn't have to do anything to put things right.

### **my final decision**

Overall, having considered all the evidence and arguments to decide what is, in my opinion, fair and reasonable in all the circumstances of this complaint and for the reasons I have set out above, I don't uphold Mr and Mrs C's complaint – so I make no award.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 25 September 2021.

Michael Goldberg  
**ombudsman**