



## **complaint**

Mr B, through his representative, complained about the single premium payment protection insurance policy that he was sold in connection with a loan.

Following the initial complaint, Lloyds TSB Bank Plc agreed to uphold the complaint and offered redress taking into consideration a successful claim that Mr B had made under the policy. Mr B disagreed with the Lloyds TSB calculation and brought his complaint to this service.

## **my findings**

I have included only a brief summary of the complaint above, but I have considered all of the available evidence and arguments, in order to decide what is fair and reasonable in the circumstances.

Mr B says that Lloyds TSB gave them incorrect and incomplete information concerning the policy benefits and the term of the policy. However, since Lloyds TSB has already accepted that it mis-sold this policy to Mr B, I do not need to consider the merits of this complaint again here. I need to decide whether the method used by Lloyds TSB to determine what compensation Mr B is due, if any, is fair and reasonable.

When we uphold a complaint our objective is to put the consumers back in the position they would have been in had these failings not occurred. In this case, Lloyds TSB has based its calculation on the basis that Mr B would not have taken out the PPI policy. This means that he would not have paid the monthly PPI premiums *but* it also means that Mr B would not have been able to make a claim on the policy.

Mr B told us that he had not made a claim under the policy and asked that Lloyds TSB provide evidence of his claim to support its decision to deduct the value of the claim from the calculation of redress.

In considering this complaint, Lloyds TSB confirmed that following a claim against the PPI policy, *'a total of £4,634.90 was paid into the Customer's Lloyds TSB account (ending \*\*\*360). This equated to £289.66 paid monthly starting on 14 April 2009'*.

Lloyds TSB has provided a copy of two statements; the first from April 2009 which it says evidences the first payment being made following acceptance of the claim; and the second statement evidencing the last payment that it says it made in March 2011. These statements provide details of the sort code and account number to which payments were sent, and I will arrange for copies of these to be sent with this final decision to Mr B's representative.

Furthermore, Lloyds has provided a copy of a statement for the loan account in question and this details the payments made on this loan from the time the loan commenced to its full repayment in February 2012. I will also ensure that a copy of this is passed to Mr B's representative so that Mr B can reconcile his personal finances.

Taking all this into account, and having reviewed calculations provided by Lloyds TSB, it seems to me that Lloyds has calculated redress in accordance with our guidelines and

general approach, and that the offer it has made and the payment is has sent is appropriate, fair and reasonable in the circumstances.

**my final decision**

My final decision is that I do not uphold this complaint against Lloyds TSB Bank Plc.

Andrew Macnamara  
**ombudsman**