

complaint

This complaint concerns the sale of a regular premium payment protection insurance (PPI) policy in connection with a credit card in 1995. Mr J says the policy was mis-sold by Barclays Bank Plc (Barclays).

background

The adjudicator's view was that there wasn't enough evidence to show the policy had been mis-sold. Mr J didn't agree, so the matter has been referred to me for 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 deciding this case.

I've decided the PPI policy wasn't mis-sold - my reasons are set out below.

optional nature of the PPI policies

I have considered whether the PPI policy was presented as being an optional product. Barclays has provided a copy of the credit card application from the time of sale. I can see that the application form has a separate section for PPI with a tick box. There is a tick in the tick box and Mr J has signed the credit card application form. So I think Mr J was most likely aware the PPI was optional and chose to take it out.

suitability

Barclays says the PPI policy was sold during a branch meeting but Mr J says it was sold by post. Looking at the credit card application form, I think it's more likely this was a branch sale but in any case the sales channel does not impact on my decision.

I think this was most likely an advised sale. This means Barclays had to ensure the policy was suitable for Mr J's needs. I can't be sure Barclays did everything it should have done when recommending the PPI policy to Mr J, but having looked at Mr J's circumstances at the time of sale, I'm currently satisfied the PPI policy was suitable for him anyway. This is because:

- Mr J appears to have been eligible for the PPI policy.
- Being in employment and in good health meant Mr J was not affected by any of the more significant exclusions or limitations which might have made the PPI policy less attractive. So Mr J could have expected to benefit from the full extent of cover provided by the policy.
- Mr J says he didn't need PPI but he has told us he was only entitled to statutory sick pay and had no savings he could have used to help him meet his credit card repayments. The PPI policy would have provided a 10% benefit for 12 months in the event of accident, sickness or unemployment. The PPI policy would have paid out in

addition to any statutory sick pay, so I think it could have been useful to Mr J if he became ill, had an accident or was made redundant.

- The policy cost was 70p per £100 of the outstanding balance. I think this would have been affordable for Mr J. Mr J says he saw the PPI premiums on his statements and thought they were mandatory but I'm mindful that he could have contacted Barclays and cancelled the PPI at any time.

I have also looked at whether Barclays provided Mr J with sufficient information so he could make an informed choice about whether to buy the policy and if not, whether this is likely to have affected his decision. I accept that there may have been shortcomings in the information Mr J received. But for the reasons set out above, I don't think Mr J would have made a different decision and declined the PPI even if he'd been given better information about the policy.

For the reasons set out above, I have decided not to uphold Mr J's complaint.

my final decision

My final decision is that I do not uphold Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 7 January 2019.

Jagdeep Tiwana
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