

complaint

Mr H says Barclays Bank Plc ('Barclays') mis-sold him a payment protection insurance (PPI) policy.

background

Mr H bought the policy in 2001 at the same time as taking out a loan. The loan included an amount to pay for the policy.

Our adjudicator didn't uphold the complaint. Mr H disagreed with the adjudicator's opinion so the complaint has been passed to me.

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 Mr H's case.

I've decided not to uphold Mr H's complaint. I'll explain why.

Mr H says there was no mention of PPI when he took out his loan and that it was added without his knowledge. Barclays says its branch process at the time was for the consumer to have completed an application form which included a section about PPI. It then says a credit agreement would've been given to Mr H, which showed the PPI being added to the loan.

Unfortunately Barclays can't provide us with the actual documents from the point of sale. So it's difficult for me to know exactly what happened. But it has provided samples which it says show the process at the time of Mr H's sale.

The application form suggests Mr H would've been given an option to say yes or no to the PPI. It also looks like the PPI was shown clearly in the centre of the credit agreement. I've seen nothing that suggests this process wouldn't have been followed in this case.

So based on everything I've seen I think it's likely Mr H was made aware of the PPI and that he chose to take it out. I also think Barclays did enough to make Mr H aware that the PPI was optional.

Barclays says it recommended the PPI to Mr H. Mr H says it didn't. But, even if Barclays did recommend the PPI to Mr H, it doesn't look like it was unsuitable for him. Having looked at Mr H's circumstances and what he's told us about how he'd meet his repayments if he wasn't working, I think he had some need for the cover provided by the PPI.

Mr H would've received a limited refund of the PPI premium if he cancelled the policy early. I don't know if Barclays thought about this when it recommended the policy. But I've seen nothing to suggest Mr H thought he would repay the loan early. So I don't think this made the policy unsuitable or better information about this would've stopped him buying it.

From what I've seen in the sample documents, I think it's likely that during the sale the cost of the policy was shown – including the amount of the premium, the interest payable on the

premium and the total cost. So I think Mr H would've understood how much the PPI would cost if he kept the policy for its full term. I also think that Mr H could've afforded it.

Given how long the policy could've paid out for, if Mr H made a successful claim he could've got back quite a bit more than what he paid for it.

It's possible Barclays didn't point out the main things the policy didn't cover. But it's unlikely Mr H would've been affected by any of these.

I've taken into account Mr H's comments. But these points don't change my conclusion.

my final decision

For the reasons set out above, I don't uphold Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr H to accept or reject my decision before 11 April 2016.

Adam Williams
ombudsman