complaint

Mrs A has complained that Marks & Spencer mis-sold a regular-premium, payment protection insurance policy to her in 1993 when she applied for a charge card with them. Allianz Insurance Plc has accepted responsibility for the complaint so I will refer to them in this decision.

background

Our adjudicator didn't think the complaint should be upheld but Mrs A didn't agree. The complaint has therefore come to me for a decision. This is the last stage in our process.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I have taken into account our general approach to complaints about PPI which is set out on our website and, having done so, I've decided not to uphold the complaint for the reasons set out below.

Mrs A says that she was given a leaflet to complete by the sales person in the shop and that she was told to fill in all parts of it. She says she automatically completed it. She feels that someone untrained in financial matters shouldn't have been selling PPI.

I'm satisfied that Mrs A freely chose to take the PPI. I've seen the form that she filled in for the charge card and there is a separate section for the PPI with a brief description of its benefit and headline cost. Mrs A ticked to say that she wanted the PPI and printed her full name and date of birth. She could have left this section blank but she chose to fill it in so, as I've said, I'm satisfied that she wanted the cover.

Mrs A says that she wasn't given any guidance about the PPI because it was sold to her by a shop assistant. That means that the seller didn't have to make sure the PPI was suitable for her but they did have to give clear, fair and non-misleading information about the policy. Looking at the application form, I don't think they did give Mrs A clear enough information. For example, the fact that interest would be added to the cost if Mrs A didn't clear her balance each month wasn't explained. So I've considered whether she'd have done anything different (ie not bought the policy) if she'd been given better informed.

But even with all the information she should have been given, I think Mrs A would still have bought the PPI.

She was eligible for the cover and nothing about her situation would have made it more difficult to claim on the policy – she was employed and in good health. Mrs A has said she had good employee sick pay and redundancy entitlement and, with savings to fall back on and family to help her out, she says she didn't need it. But the policy would have paid out in addition to her sick pay and redundancy and for longer. And it would have spared any savings she had for other priorities at what would, after all, have been a difficult time (not being able to work). As to relying on family support, there is no guarantee that family would have been in a position to help her out if she had had difficulties.

If Mrs A had made a claim for sickness or unemployment the policy would have paid a monthly benefit of 15% of the outstanding balance. It would have paid this until the outstanding balance at the time of the claim was repaid, or until she returned to work. It

would also have repaid the outstanding balance if she had died. So, I think Mrs A would have found the policy useful and worthwhile for her.

Overall, I don't think Mrs A would have made a different decision if she'd been given better information about the cover. I think she still would have taken it. So I don't uphold the complaint.

my final decision

For the reasons I've explained, I don't uphold this complaint and I make no award against Allianz Insurance Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 15 February 2016.

E J Mc Allister
ombudsman