complaint

This complaint is about a monthly premium payment protection insurance (PPI) policy taken out in 1993 to protect a mortgage. Mr S says Lloyds Bank PLC (TSB at the time) mis-sold him the policy.

To keep things simple, I'll refer to Lloyds throughout this decision rather than TSB.

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 S's case.

And having done all of that, I don't think the policy was mis-sold.

Mr S says he felt pressured into taking PPI, didn't know it was optional and separate to the mortgage and didn't agree to take the policy.

I don't doubt the honesty of Mr S's recollections. However, he hasn't said much about what was said and/or done at the time of sale. This isn't that surprising or unusual as the sale took place roughly 25 years ago. But the difficulties associated with the amount of time that has passed since the event in question are something I have to consider when weighing up what's likely to have happened. After all, even the best of memories can struggle over that sort of timeframe. So, while I accept it's *possible* the recollections above represent what actually happened, I find it hard to argue – in light of them alone – that it's *probable* as they carry with them very little else.

Lloyds has provided us with Mr S's mortgage application form and mortgage offer. The application is difficult to decipher in places. But there is a section on PPI – or 'MortgageSure' as it was called at the time. And from the activity in that section, it does look like he chose to take the policy – details of which were subsequently set out separately to the mortgage on the mortgage offer.

Overall, therefore, I'm not persuaded there's enough evidence to say Mr S didn't agree to take the policy or that he only agreed because he felt or thought he had to.

This leaves me with the rest of the sale to consider. Lloyds says that it recommended the policy to Mr S – which means it had to make sure the policy was suitable for him given what it knew about his circumstances at the time. And based on what I know, I think the policy was right for him overall.

It doesn't look like Mr S would have been affected by any of the likely exclusions to or limits on the cover. I acknowledge that he was entitled to some sick pay and that he may have had some savings available. But he was taking on a long-term and significant financial commitment on a secured basis. As a result, his mortgage repayments were important repayments to maintain had he found himself out of or unable to work. And as the policy would have helped him to make those repayments over a reasonably significant period of time instead of having to rely on his sick pay and/or savings (which he could have used elsewhere), I think he would have found the policy useful and did have a need for it.

As well as making a suitable recommendation, Lloyds also had to give Mr S clear information about the policy. So that's what I've looked at next.

It is possible Mr S wasn't given the clear information that he should have been. But as I've already said, it looks like he could have claimed if he needed to. And given the nature of the financial commitment he was taking on, the policy did provide important protection. So, for the same reasons I don't think Lloyds' recommendation was unsuitable, I think he would have still bought the policy even if he had been provided with clear information.

my final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 April 2019.

Morgan Rees
ombudsman