

## **complaint**

Mr L's complaint is about the compensation paid by Lloyds Bank PLC (Lloyds) to settle his complaint relating to mis-sold payment protection insurance (PPI) policies.

## **background**

Mr L took out three loans with Lloyds. He took out PPI with the loans ending 8202 and 9143. Lloyds said that Mr L didn't have any PPI with the loan ending 3284.

Lloyds didn't have all of the information to work out exactly what Mr L paid for PPI. So it made him an offer for his two loans based on average refunds paid to other customers. Mr L was concerned about Lloyds' records and said there could be more information than what's been provided.

Our adjudicator looked at the complaint and thought that what Lloyds had offered was fair. But Mr L disagreed with the adjudicator's findings, so the case has been passed to me to review.

## **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 when looking at Mr L's complaint.

As Lloyds has offered to settle Mr L's complaint, I'm not looking at how the policies came to be added to the loans. I'm only looking at whether the compensation Lloyds has paid is fair and, as far as possible, puts Mr L in the position he would've been in if he hadn't bought any PPI.

### *the loan ending 3284*

When Lloyds investigated, it said Mr L didn't take out a PPI policy with this loan. And I haven't seen any evidence to suggest that he did. In my experience of Lloyds' records, if PPI had been taken out it would've shown. So I think it's most likely that this loan didn't have any PPI. This means that there's nothing Lloyds needs to do to put things right for Mr L.

*the loan ending 9143*

Lloyds doesn't have enough details to work out exactly what Mr L paid for PPI with this loan. It has some basic information about the start and end dates but it doesn't know how much the loan was, how long it was for or how much the PPI premium was. So it's made Mr L an offer based on what's been paid to other customers.

Mr L has looked to see if he has any more information that Lloyds could use to work out a more accurate offer, but he doesn't have anything. And I wouldn't expect him to have kept paperwork from over a decade ago. Mr L said that it wasn't fair that Lloyds didn't have his records any more. And I can understand his concerns that he might not be getting back everything that he paid. But Lloyds doesn't have to keep records for longer than six years, so I'm not surprised that it doesn't have full information.

The approach Lloyds has taken doesn't always accurately reflect the spending history of each individual customer. I recognise that it's possible that this offer is less than what Mr L was charged. But it's equally possible that it comes to more than what he paid. There's just not enough information available now for Lloyds to be able to make a calculation that's closer to the way Mr L's account actually ran. So when there's nothing else to go on, I think this approach is fair.

*the loan ending 8202*

When Lloyds investigated Mr L's complaint, it couldn't find any records of this loan either. So it made him another average offer. But since then, Lloyds has found more records that say the loan was for £1000 over a period of 12 months with an insurance premium of £87.60. Lloyds' average offer for this loan is much more than what the records show he would've paid for the PPI.

Lloyds has already paid the average offer to Mr L and recognises that it was made based on the most up to date information that it had at that time. So it's not going to revise that offer now. Looking at everything, I think that what Lloyds has paid Mr L for this loan is more than fair.

**my final decision**

For the reasons set out above, I think the compensation Lloyds Bank PLC offered is fair. As Mr L has already been paid, Lloyds Bank PLC doesn't need to do anything more to put things right.

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

Claire Marsh  
**ombudsman**