

complaint

Mr H says Lloyds Bank Plc mis-sold him a payment protection insurance (“PPI”) policy.

background

It isn't clear when Mr H bought the policy, but Lloyds has told us the credit card was opened in 1996, which is when it assumes the policy would have been sold as well.

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, and I'll explain why.

Mr H and Lloyds both agree the credit card was sold in a meeting at a branch. Mr H has said the policy was sold in a meeting in 2001 but the credit card was taken in 1996 so I think it's more likely the policy was added in the meeting when he purchased the credit card.

Mr H says the PPI was added without his knowledge or consent. Lloyds says it would've made it clear the policy was optional and got Mr H's consent before adding the cover. As there is very little information relating to the sale, which isn't surprising considering the account was opened over 20 years ago, I have to base my decision on what I think is more likely to have happened, taking into account all the evidence that is available.

Lloyds has provided us with a copy of an application form it says would've been used in branch around the time the account was opened. I can see there is a section titled '*TSB Credit Card Payments Insurance*'. This sets out the PPI and requires the customer to '*Tick here if you would like to be covered by TSB Credit Card Payments Insurance...*'.

I can't say for certain whether Mr H would've in fact ticked this box to select the PPI. But based on what Lloyds has told us, along with what I know generally about how Lloyds sold PPI at the time, I think it's *more likely* that it would've made Mr H aware he had a choice about buying the PPI, and that he chose to take it. And I haven't seen enough evidence from Mr H to persuade me that Lloyds didn't give him an option to take the policy.

The sale took place in a face to face meeting so I think it's likely Lloyds recommended the policy to Mr H. This meant Lloyds needed to take reasonable steps to make sure the policy was suitable for Mr H - and it seems to have been right for him based on what I've seen of his circumstances at the time. I say this because:

- Mr H was eligible for the policy, and it doesn't look like he would've been affected by any of the main things the policy didn't cover, for example any unusual employment terms or pre-existing medical conditions. Mr H said he was self-employed and didn't feel the policy would cover him. But I've looked at the policy terms and it wouldn't have been any more difficult for Mr H to make a claim than an employed person.

- Mr H told us he would've had 3 months' full sick pay followed by 3 months' half sick pay, and he had some savings that he could rely on if he wasn't able to work. But this policy could've paid Mr H a monthly benefit for up to 12 months if he was unable to work through accident, sickness or if he lost his job. This would've been in addition to any sick pay he might've had and for longer - so he could've found the policy useful.

So having thought about everything carefully, I think the policy was suitable for Mr H.

As well as making sure the policy was suitable, Lloyds also had to give Mr H enough information about the policy so he could decide if he wanted to buy it. It's possible the information Lloyds gave Mr H about the PPI wasn't as clear as it should've been, particularly on the costs. But for the reasons I mentioned above about why I think the policy was suitable, I don't think better information, including on costs, would've stopped him buying it.

my final decision

For the reasons set out above, I don't uphold Mr H's complaint. And I make no award against Lloyds Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 10 November 2017.

Jag Dhuphar
ombudsman