

## **summary of complaint**

This complaint concerns a series of monthly premium payment protection insurance ("PPI") policies. The policies were sold in conjunction with a number of loans that Miss W entered into in between 2003 and 2009. Miss W says that Citysave Credit Union Limited mis-sold the policies.

## **my findings**

I have considered afresh everything that Miss W and Citysave have said and provided from the outset, in order to decide what is fair and reasonable in the circumstances. I have also taken into account regulatory requirements (when relevant) as well as the law and good industry practice at the time the policies were sold.

It seems to me that, in essence, the questions I need to consider in a case such as this are:

- Firstly, whether Citysave gave Miss W information that was clear, fair and not misleading in order to put her in a position where she could make informed choices about the insurances she was buying; and,
- Secondly, whether in giving any advice or recommendation, Citysave took adequate steps to ensure that the products it recommended were suitable for Miss W's needs.

In the event I am persuaded to find in her favour on one or other of the above, I shall need also to consider whether Miss W acted to her detriment as a consequence of any shortcomings on Citysave's part.

I consider it most likely that Citysave did not recommend that Miss W take out the policies. So it did not need to ensure they were suitable for her; that was a matter for Miss W. That said however, I consider that Citysave should have ensured that it provided Miss W with information that was clear, fair and not misleading in order to put her in a position where she could make informed choices.

Clearly, I cannot rule out the possibility of shortcomings in the information provided by Citysave at the point of sale. Nor can I be certain how much Miss W understood about the policies at the relevant times. Nevertheless, taking into account the policy benefits, the cost of cover, and the information Miss W has given us about her broader circumstances at the times of the sales, I am not persuaded I can safely conclude that the policies were unsuitable for Miss W. Nor do I consider that if she had been properly informed, Miss W would have decided she had no need of the cover the policies provided.

I say this because it does not appear that Miss W, who was eligible for the cover, was affected by any of the exclusions from, or limitations on, the cover provided by the policies. Additionally, whilst the information Miss W has given us about her work benefits and savings suggests she might have been able to cope for a short period if anything went wrong, she was on each occasion taking out a new liability. Meanwhile, the benefits the policy would pay out were in addition to her existing arrangements. So, if the likely cost and level of cover provided by the policies were agreeable to her, I find it likely that Miss W would have taken the policies out.

There is some evidence to suggest that the cost of the PPI was disclosed to Miss W at the time of the sales – the application forms she signed to apply for the cover set out the amount

payable each month for each £100 of benefit, depending on the level of cover. Overall, and whilst I accept there was scope for confusion, I do not consider I could safely conclude that Miss W was entirely unaware of how much the policies cost, or that she found the cost unacceptable.

Miss W argues that she was not properly informed of the optional nature of the policies. Of course I cannot be entirely certain about what was or was not said during the sales processes, so I accept it is possible Miss W's account of events is accurate. However, in all the circumstances, and taking into account the available evidence (including the documentation completed at the times of the sales) I consider it more likely than not that Miss W might reasonably have concluded the PPI policies were optional, and that the granting of the loans was not conditional upon her taking the PPI as well.

### **my decision**

For the reasons set out above I am not persuaded that Miss W has suffered detriment as a result of any shortcomings on Citysave Credit Union Limited's part when selling the PPI policies. It follows that I do not uphold Miss W's complaint or make any award against Citysave Credit Union Limited.

Jeff Parrington  
**ombudsman**