

The complaint

Mrs B says Canada Square Operations Limited – trading as Egg (“Egg”) – mis-sold her a payment protection insurance (“PPI”) policy.

What happened

The policy was added to Mrs B’s at the same time as taking out a credit card online in 2001.

Our adjudicator didn’t think we should uphold the complaint. Mrs B disagreed with the adjudicator’s opinion, so the complaint has been passed to me.

What I’ve decided – and why

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 Mrs B’s case.

Having done this, I’ve decided not to uphold Mrs B’s complaint. I’ll explain why.

The policy was sold during an online application and Egg should have made Mrs B aware she had a choice about buying the PPI. Mrs B says she wasn’t aware the PPI had been added.

Egg has explained the sales process and given us screenshots of how the PPI would’ve been shown to Mrs B at the time of the sale. I have no reason to think Mrs B would’ve seen something different. So, I’ve looked carefully at these screenshots and I can see Mrs B would’ve been given a choice to select “yes” or “no” to buy the policy. The process would have required an option to be selected before an applicant could have moved on to the next section. And the fact the PPI was added to Mrs B’s account makes me think it’s more likely she selected the “yes” option.

So, I think Egg made Mrs B aware that she had a choice about buying the PPI, and that she chose to take it.

The policy was taken out over the internet, without any apparent involvement from an Egg representative so I don’t think it recommended the PPI to Mrs B. This means Egg didn’t have to check it was right for her. But it should’ve made sure it gave Mrs B enough information to allow her to choose whether the PPI was right for her or not.

Looking at the screenshots, I think the information Egg gave Mrs B about the costs, benefits and main limitations of the policy wasn’t as clear as it should’ve been. So, I’ve got to consider whether better information about the policy would’ve put Mrs B off taking it out.

I don’t think it would have. Mrs B doesn’t appear to have been affected at the time by any of the main things the policy didn’t cover – such as any existing health conditions or any unusual working patterns.

Mrs B says she would’ve received good sick pay benefits from her employer. But the PPI would have paid out alongside these benefits and would have also covered her repayments

if she was made unemployed. She also says she didn't have any other means of making her repayments – such as savings. So, I think Mrs B would have had a use for the policy.

Taking everything into account, even if Mrs B had been given clear information, I still think she would've bought the policy.

I've thought carefully about everything Mrs B has told us – including what she has said about having private medical care. But, if Mrs B was too unwell to work, the medical care would have paid for any treatments she needed, it wouldn't have covered any repayments she needed to make whilst she was unable to work. So, the fact she had this cover doesn't change my decision.

Overall, I don't think Mrs B has lost out because of anything Egg might have done wrong.

My final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs B to accept or reject my decision before 11 December 2020.

Claire Marchant-Williams
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