

complaint

Mr G says Lloyds Bank PLC mis-sold him payment protection insurance (PPI).

background

Mr G took out a TSB credit card in 1994. He says Lloyds sold him PPI in a meeting in January 2000. Lloyds hasn't been able to give us any information about how or when Mr G was sold PPI. Its earliest records show he paid for PPI from 2000.

Mr G says he didn't know he was charged for PPI and would've refused it if he'd been given a choice.

The adjudicator who looked at Mr G's complaint didn't think Lloyds had mis-sold it. Mr G disagrees and so his complaint has come to me to decide.

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 G's complaint.

Having done so, I've decided not to uphold Mr G's complaint. I'll explain why.

Mr G says he didn't know he had PPI. But Lloyds sold him the PPI between sixteen and twenty two years ago. And Mr G's memories of what happened aren't detailed, so I don't think I can rely on them alone to decide his complaint. And because Lloyds hasn't been able to say exactly when or how it sold Mr G PPI, this makes it difficult.

But Lloyds has given us an example of a credit agreement from within the period it sold Mr G PPI. This document would've given Mr G a clear choice about the PPI. Of course, I don't know that this is the agreement Mr G actually saw. But, at the same time, I haven't seen anything to suggest Lloyds would've added PPI automatically to Mr G's card, either at the time he applied for it in 1994, or later. And, if he did buy the PPI in 1994, I haven't seen anything to make me think Lloyds would've required him to have it to get the card.

From this and from what I know about Lloyds' process for selling PPI between 1994 and 2000 (regardless of how it was sold), I think it's most likely Mr G agreed to buy PPI knowing he had a choice about it.

I've gone on to look at whether there are any other reasons why I should uphold Mr G's complaint. But I don't think there are.

Lloyds says it recommended the PPI to Mr G. This means it had to make sure the insurance was right for him. From what Mr G has told us of his circumstances between 1994 and 2000 and the likely terms of the Lloyds policy he bought, I think it was. I say this because:

- I think it's likely he qualified for the cover.
- From what I've seen, I don't think he'd have been caught by any of the things Lloyds PPI policies sold in this period didn't cover – like people with known health issues or unusual employment arrangements. So I don't think there was anything to stop him claiming the policy's full benefits if he'd needed to.
- Mr G says he'd have got some sick pay as well as a redundancy package through his work in this period. But I don't think this made the PPI unsuitable for him. If he'd made a successful sickness claim, the PPI would've helped him meet his card repayments and would've paid out on top of his sick pay and for longer. And, for a successful unemployment claim, it would've paid out on top of his redundancy package. So I think the policy gave him useful cover.
- I haven't seen anything to make me think the likely cost of the policy made it unsuitable for Mr G or that he couldn't afford it.

Lloyds also needed to give Mr G clear enough information about the PPI policy for him to make an informed choice about buying it. I think it's possible Lloyds didn't do this. But for the same reasons I don't think the policy was unsuitable for him, I don't think clearer information would have changed his mind about buying it. I think he would have thought the protection it offered was useful and worth paying for.

So on the limited information I have, I don't think Mr G has lost out because of anything Lloyds may have done wrong when it sold him PPI.

my final decision

For the reasons I've given, I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 January 2017.

Jane Gallacher
ombudsman