

complaint

Ms C says Lloyds Bank PLC (“Lloyds”) trading as TSB, mis-sold her a payment protection insurance (“PPI”) policy.

background

Ms C bought a monthly premium PPI policy in 2004 at the same time as taking out a credit card. The card and policy were applied for during a meeting.

Our adjudicator didn’t uphold the complaint. Ms C 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 Ms C’s case.

I’ve decided not to uphold Ms C’s complaint. I’ll explain why.

Lloyds has given us a copy of the application form Ms C saw and signed. The form shows there’s a separate section for PPI and it gave her the option to say ‘yes’ or ‘no’ to PPI. I can see a cross was placed in the ‘yes’ box on the form.

Ms C has told us the cross wasn’t made by her and that it’s different to the section of the form that she filled in. She’s told us the rest of the form was completed by the branch member of staff. I’ve considered this carefully, but even if the form was part filled in by someone other than Ms C, she signed the form confirming that she agreed to the information shown on it. So, I think the policy was presented as an option and that Ms C chose to take it out - signing the agreement which meant PPI was added to her account.

Lloyds has said it recommended the PPI to Ms C and from what I’ve seen I think that’s right. This meant Lloyds should have taken reasonable steps to make sure the policy was right for Ms C. And it seems the policy was right for her based on what she’s told us about her circumstances at the time of sale. I say this because:

- Ms C was eligible for the policy and wouldn’t have been affected by anything which might have made it more difficult for her to make a claim, like having an existing medical condition or unusual employment circumstances.
- Ms C has told us she would have received only statutory sick pay if she was off work unwell. And she also said her parents could have help to make her credit card repayments. While I accept Ms C’s parents would have wanted to help, they may not have been in a position to do so if and when Ms C needed help. This policy would have paid on top of Ms C’s sick pay and for up to 12 months. It also would have provided additional cover if she lost her job.

So taking everything into account, I think the PPI was suitable for Ms C.

As well as providing advice, Lloyds was also required to give Ms C enough information to make an informed choice about the PPI. It's possible the information Lloyds gave Ms C about the PPI wasn't as clear as it should have been. But based on what I know about her circumstances it looks like the policy could have been useful to her. So I still think she'd have decided to buy the policy if she'd had all the information she should have done

I've taken into account all Ms C's and her representative's points, including what they've told me about the loans with PPI which Lloyds upheld. I've not considered this further as this complaint is only about the PPI sold on the credit card in 2004. So this point doesn't change my conclusion that I don't think Ms C has lost out as a result of anything Lloyds might've done wrong.

my final decision

For the reasons set out above, I don't uphold Ms C's complaint and I don't require Lloyds Bank PLC to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 1 March 2018.

Staci Rowland
ombudsman