complaint

Mrs B says Lloyds Bank PLC – then trading as TSB - mis-sold her a payment protection insurance (PPI) policy.

background

Mrs B says the policy was bought in 2000. Lloyds says it doesn't know when the PPI was sold. The policy was sold to cover Mrs B's credit card.

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.

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 Mrs B's case.

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

Lloyds says it doesn't know when the policy was sold to Mrs B and it doesn't have any copies of the paperwork from the sale. So it says it has considered the policy was sold alongside her credit card in 1993. I've also considered what Mrs B says about her circumstances up to 2000, when she thinks it was sold.

Whenever the policy was sold, Lloyds should've taken reasonable steps to make Mrs B aware she had a choice about buying PPI.

I don't know exactly what was discussed with Mrs B when she bought the policy. So I've thought about her comments alongside the limited information Lloyds has provided. I've also considered what I know about the way Lloyds sold these policies in general, to decide what's *most likely* to have happened.

Lloyds doesn't have any of the paperwork Mrs B would've completed at the time, it's sent me a sample of a credit card application from 1993. I've thought about what I know about how Lloyds sold these types of policies between 1993 and 2000. Having done this, I think it's likely this is the type of application form Mrs B would've signed

On it I can see there's a section for the PPI and a box had to be ticked to select or decline the policy. And I don't think its likely Lloyds would've added the PPI without Mrs B indicating she wanted it. So I think it's most likely – at the time - Mrs B chose to buy the PPI knowing she didn't have to.

Mrs B hasn't said whether or not Lloyds recommend the policy to her. Lloyds says it's considered the sale as if it did recommend it. This would mean it should've taken reasonable steps to make sure the policy was right for Mrs B. This is more than Lloyds would've had to do if it didn't recommend the policy to her. So to be fair to Mrs B, I've also decided to assess the complaint on the basis Lloyds did recommend the policy to her.

And from what I've seen of Mrs B's circumstances, I think it was suitable for her. I say this because:

- Mrs B was eligible for the policy.
- Mrs B says she had six months full and six months half sick pay benefits from her employer. For any successful claim, the PPI would've paid 10% of the outstanding balance of Mrs B's card for up to 12 months. The policy would've paid out in addition to any sick pay Mrs B may have received if she was unable to work. So Mrs B could've used her employee benefits to pay for other essential things if she was too unwell to work or became unemployed.
- The policy also covered Mrs B for redundancy. Although Mrs B has said the chance of her being made redundant was very low, I don't think the possibility of her losing her job could've been ruled out.
- I've thought carefully about Mrs B's comments that her partner could've helped out if she couldn't make repayments. I don't doubt that they would've wanted to help but circumstances can change and I don't think Mrs B's partner's help could've been guaranteed.
- It doesn't look like there was anything else about Mrs B's circumstances that would've made it difficult for her to claim. For example, she's told us she didn't have any existing health concerns.
- Nothing Mrs B has told me suggests she couldn't afford the monthly payments.

It's possible that the information Lloyds gave Mrs B didn't point out the main things the policy didn't cover. But – as I've mentioned above – Mrs B doesn't appear to be affected by any of those things. So I don't think better information would've stopped her buying it.

Taking everything into account, I don't think Mrs B has lost out from anything Lloyds might've done wrong.

my final decision

For the reasons set out above, I don't uphold Ms S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 4 December 2017.

Claire Marchant-Williams
ombudsman