

complaint

Miss M says Barclays Bank Plc mis-sold her a payment protection insurance (PPI) policy.

background

Miss M bought a single premium PPI policy in July 2001 at the same time as taking out a loan. The loan and policy were sold during a branch meeting. They both ended in September 2002.

Miss M believes Barclays mis-sold the PPI. She believes she was given the impression she had to have the insurance in order to obtain the loan. She thinks she had other means to cover her if needed and so did not need the cover.

Our adjudicator didn't uphold the complaint. Miss M has 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 is 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 Miss M's case.

I've decided not to uphold Miss M's complaint because:

- The PPI was taken out several years ago and because of this there's little information available from the time of sale (Barclays have only been able to provide sample sales documentation). So it has been difficult for me to understand how the policy was presented to Miss M during the meeting.
- I've looked at what Miss M has said about how the policy was sold. I acknowledge these comments including that she thinks Barclays led her to believe she didn't have a choice but after considering the information that has been provided by Barclays, I can see that in the application form it most likely used, it did present the PPI as optional.
- By seeing the sample application form, I have been able to see what most likely would have been presented to Miss M. Barclays has demonstrated on the application form that Miss M would have had a choice to tick a box to indicate whether she wanted the insurance or not. So I think it's likely that Miss M was told it was a good idea to have the insurance with her loan by the advisor from Barclays and was given a choice to have it.
- Moving on, I think Barclays recommended the PPI to Miss M, but it doesn't look as if it was unsuitable for her based on what I've seen of her circumstances at the time. She says she had some sick pay provision with her employer but the benefits would have been paid in addition to this and so she would have found the benefits provided by the policy useful in a difficult time. I couldn't find anything else within the policy's terms and conditions that would have made it an unsuitable recommendation for Miss M like a restrictive or significant term.

- As I have already mentioned, Barclays has provided some example documents including a sample loan agreement showing how it thinks the costs relating to PPI and the loan that Miss M took out would have been presented. I can't be sure if Miss M had received all of the costs during the meeting in a clear and not misleading way by the advisor from Barclays, but the sample loan agreement would suggest to me that she most likely did.
- Miss M would've received a limited refund of the PPI premium if she cancelled the policy early. I don't know if Miss M thought about this when Barclays recommended the policy or explained the situation to her. But I've seen nothing to suggest she thought she would repay the loan early. So I don't think this made the policy unsuitable or better information about this would've stopped her buying it.
- It is possible Barclays didn't point out the main things the policy didn't cover. But its unlikely Miss M would've been affected by any of these, due to her circumstances at the time of sale.

I know this is likely to come as a disappointment to Miss M but in conclusion, I do not uphold her complaint.

my final decision

For the reasons set out above, I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss M to accept or reject my decision before 19 February 2016.

Mark Richardson
ombudsman