

complaint

Mr T says Nationwide Building Society (Nationwide) mis-sold him a payment protection insurance (PPI) policy.

background

Mr T bought the policy in 2002 when he applied for a credit card.

Our adjudicator didn't uphold the complaint. Mr T disagreed with the adjudicator's opinion, so the complaint has been passed to me.

my findings

I've considered all of 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 T's case.

I've decided not to uphold Mr T's complaint. I'll explain why.

Mr T says the PPI policy was added to his credit card without his knowledge – and that someone else (from Nationwide) ticked for PPI.

I've thought about this carefully. And having looked at Mr T's credit card application form, I don't think there's enough to question who filled in the section on PPI – or conclude that someone from Nationwide was more likely to have done so than him.

Mr T completed the credit card application form in his own time. So I think it's more likely he chose to take the policy. And as the application form also gave him the chance to say he didn't want it, I also think it's more likely he chose it knowing he didn't have to.

I haven't seen anything to suggest that Mr T spoke to Nationwide before buying the policy. So I don't think Nationwide recommended it to him – which meant it didn't have to make sure the policy was suitable for him. But it did have to give Mr T clear enough information so that he could decide if the policy was right for him.

I think Nationwide probably could've given Mr T clearer information about the costs and benefit of the policy. But at 10% of his outstanding balance each month, the policy provided him with a reasonable amount of breathing space if he was unable to work.

And looking at the costs of the policy with this benefit, I don't think clearer information would've stopped him buying it. I say this because he didn't have any savings and had relatively limited sick pay at the time - and so might have struggled to make his repayments in the long run were he off work for anything longer than a few months.

Mr T says he could've relied on friends and family. But their circumstances could also have changed over time – which means that sort of help wouldn't have been guaranteed.

It's also possible the information on what the policy didn't cover wasn't as clear as it should've been. But it's unlikely Mr T would've been affected by any of the main things the policy didn't cover given his circumstances.

my final decision

For the reasons set out above, I don't uphold Mr T's complaint.

I realise this will be disappointing for Mr T. But I hope he can understand how and why I've reached my conclusion.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 19 May 2016.

Morgan Rees
ombudsman