

## **complaint**

Mr and Mrs B complain that The Prudential Assurance Company Limited ('Prudential') mis-sold payment protection insurance ('PPI') to them when they took out a mortgage in 1997.

## **background**

Our adjudicator didn't think this complaint should be upheld. Mr and Mrs B disagreed with that view and so the matter has been passed to me to make a final decision.

## **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 this case.

I haven't upheld this complaint. I'll explain why below.

PPI was sold to Mr and Mrs B during a meeting in their home. I can't know what was said during that meeting. To help me decide what happened, I've looked at what Mr and Mrs B remember about the sale, what Prudential told me about it and the paperwork that's available from the time. I think that what Mr and Mrs B were told probably followed what was written in the paperwork.

Mr and Mrs B told me that they didn't remember getting any information about the PPI and that they were told they had to take the policy to help them with their mortgage application. I don't doubt that what Mr and Mrs B told me is what they honestly remember about the sale. But this policy was sold over 20 years ago and it's often difficult to remember precisely what happened so long ago.

The paperwork I've seen suggests that there was a discussion about PPI and so although I accept that Mr and Mrs B don't remember this, I think at the time they probably did know about the policy. I can also see that they rejected some policies recommended by Prudential. So at the time, I think they probably knew they were free to reject the PPI if they didn't want to buy it.

Prudential advised Mr and Mrs B to buy this PPI policy. So, they had to make sure it was suitable for their needs. To help me decide whether the policy was suitable, I've looked at the terms of the policy, along with Mr and Mrs B's circumstances at the time of the sale.

The policy was set up to cover Mr and Mrs B if either of them couldn't work because they became ill or if they lost their jobs. They would have received cover for up to 12 months for each claim.

At the time, Mr B had been employed in the same job for just over a year and Mrs B had been employed in the public sector for two years. Mrs B had some sick pay from work, but Mr B told us that he didn't have any cover at all. Given the length of time that they'd worked in their jobs, I don't think they'd have received a payment the equivalent of 12 months or more of their salaries if they were made redundant. So, I think it's likely that the policy would have provided cover over and above what they would have received from their employers.

Mr and Mrs B also told us that they had some savings that were the equivalent of between three and six months' worth of savings they could have used to meet their mortgage payments if they couldn't work. Again, I accept that what they told us is what they honestly remember. But the evidence that's available from the time suggests their savings weren't as high as they recall.

Mr and Mrs B told us they were both in good health when they bought this PPI. So, I don't think they'd have been caught by any of the exclusions we'd normally see with this type of policy in connection with medical conditions. I also haven't seen anything unusual about their employment circumstances to prevent them from making a claim if they were made redundant. Similarly, the evidence I have doesn't suggest they had a particular need to keep their costs down when they bought PPI. Overall, I think this particular policy probably was suitable for Mr and Mrs B's needs.

Prudential also had to give Mr and Mrs B enough information about the PPI so they could decide for themselves whether it was a good fit for them. That information had to be clear, fair and not misleading. It's possible that Prudential didn't tell Mr and Mrs B everything they should have done. But ultimately, I don't think this would have made a difference to their decision to take PPI. Their mortgage was secured on their home and so there would have been a risk to it if they couldn't work. I think it's likely the policy met their needs and it would have probably been useful for them at that time.

It follows that I haven't upheld the complaint and so I don't need to ask Prudential to put things right.

### **my final decision**

I haven't upheld this complaint and so I don't require The Prudential Assurance Company Limited to take any action to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs B to accept or reject my decision before 8 June 2018.

Nicola Bowes  
**ombudsman**