

The complaint

Mr T has complained that Bank of Scotland plc (BoS) trading as Halifax, mis-sold him a mortgage payment protection insurance (PPI).

What happened

Mr T was sold PPI in 2002 at the same time as taking out the mortgage.

Our adjudicator didn't uphold the complaint. Mr T disagrees with the adjudicator's opinion and so the complaint has been passed to me for a decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

BoS only has limited paperwork available from the time of the sale, which isn't surprising given the time that has elapsed.

Where the evidence is incomplete (as it is here), inconclusive or contradictory, I reach my decision based on the evidence that we do have and what I consider is most likely to have happened.

Mr T says he was told he had to buy the PPI if he wanted the mortgage to be granted.

From what we know of BoS's usual sales process at the time, the PPI was normally presented as optional and I haven't seen anything that would lead me to conclude that something different happened in this case.

I've thought very carefully about what Mr T has said. I've no doubt that he has provided his honest recollection of events. However, the sale was a long time ago and so it wouldn't be surprising if his memory has faded.

On balance, I don't have enough evidence to conclude that Mr T wasn't given a choice about buying the policy. I consider it more likely than not that Mr T decided to buy the PPI, knowing that he didn't have to, even if he no longer remembers doing so.

This was an advised sale. So, in recommending the policy to Mr T, BoS needed to ensure that it met his needs. And from what I know of his circumstances at the time, the policy was suitable for him.

Mr T says he would have found another job if he had been made redundant. But the policy would have provided a useful breathing space whilst he looked for another job. And it also covered him against accident and sickness.

Mr T would have received less than three months' pay from his employer if he was off sick from work. It should be noted that the policy could have paid out for up to 24 months per claim.

Mr T says he would have sold his property if the mortgage became unaffordable. But having the PPI would have meant that he wouldn't have had to resort to such drastic measures and could have kept his home.

Overall, it seems to me that Mr T had a need for the policy and could have benefitted from it at what would have been a difficult time.

BoS also needed to provide Mr T with sufficient information for him to be able to make an informed choice about taking out the policy. It's possible that BoS didn't provide as much information as it should have, particularly about the things that it didn't cover. But Mr T wasn't affected by any of those things. For example, he didn't have a pre-existing medical condition that would have been excluded under the policy. As I consider that he had an interest in the PPI and decided to buy it, I don't think that more information would have caused him to change his mind. So he is no worse off as a result of anything BoS may have done wrong, so there is nothing that BoS needs to do to put things right. It follows that I do not uphold Mr T's complaint.

My final decision

For the reasons set out above, I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 31 August 2023.

Carole Clark

Ombudsman