

## **The complaint**

Mr J complains that he was not told by TSB Bank plc (TSB) about a key change to his Premier Account (PA) in September 2019 and he lost out as a result.

## **What happened**

I have previously issued a provisional decision regarding this complaint. The following represents excerpts from my provisional decision, outlining the background to this complaint and my provisional findings, and forms part of this final decision:

### ***What happened***

*Mr J says that TSB removed the home emergency cover element of his PA benefits in September 2019 and didn't tell him. He says that had he known about the change he would have cancelled the PA.*

*Mr J wants all his monthly fees refunded from September 2019 until when he tried to make a claim on the home emergency cover in July 2021.*

*TSB admits it failed to inform him in 2019 but says that subsequent update letters it sent in 2020 and 2021 told him what was in the PA and he would have known then.*

*TSB also says it offered itself to honour a claim Mr J made in July 2021 by paying the cost of addressing a water leak in line with the policy. And it says it offered him £50 for the distress and inconvenience.*

### ***What I've provisionally 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.*

*The facts of this matter don't appear to be in dispute, so I'll focus on the reasons for my provisional decision.*

*In my view TSB failed to give Mr J an option whether to continue with his account in September 2019. So, this was a mis-sale.*

*I've looked carefully at the Annual Eligibility statements TSB sent Mr J in 2020 and 2021. While I agree that the letters explain what is included in the PA, I can understand that in the circumstances Mr J was in where he has not been informed at all about a major change and he was paying the same fee, he may not have looked carefully at such letters.*

*And as Mr J went to the trouble of trying to make a claim in 2021, I think it's more likely than not the annual eligibility letters didn't draw his attention sufficiently in his circumstances to the removal of the home emergency cover benefit.*

*If he had been told about this change to his benefits, it would have been for him to decide whether to continue paying his monthly fee for the account. But he wasn't given this choice.*

So, I'm minded to uphold his complaint.

### **Putting things right**

*I'm minded to require TSB Bank Plc to:*

- *Pay Mr J the amount Mr J paid each month for the Premier Account from October 2019 until July 2021.*
- *Add simple interest to each payment from when he paid them until he gets them back. The rate of interest is 8% a year<sup>†</sup>.*
- *If Mr J has saved money because of a better rate on his overdraft or any loan by having the packaged account and TSB can show exactly how much Mr J saved, it may deduct his savings from the amount it pays him – but only after it has calculated the two points above. TSB must explain clearly and simply to Mr J how it has worked out any deductions.*
- *If TSB paid Mr J any money to address his home emergency claim in July 2021, it may deduct this from the amount it pays him – but again only after it has calculated the first two points above.*

<sup>†</sup> HM Revenue & Customs requires TSB to take off tax from this interest. TSB must give Mr J a certificate showing how much tax it's taken off if he asks for one.

### **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.

In response to my provisional decision above, TSB has argued that Mr J used a range of benefits other than the home emergency cover before 2019 so he would still have wanted the PA after the latter was removed. And it says its subsequent annual eligibility statements clearly didn't show the home emergency cover as a benefit in 2020 or 2021.

I understand the point that TSB makes but it has accepted it didn't tell Mr J about the change in 2019 and so in my view denied him the choice whether to continue or not with the PA which is a mis-sale. And the subsequent letters notify him by omission rather than by specifically drawing his attention to the change, so I think it's more likely than not that he missed that the change had happened as he said he did.

So, my conclusions remain as in my provisional decision.

### **Putting things right**

I require TSB Bank plc to pay Mr J redress as specified in the "Putting things right" section of my provisional decision above.

### **My final decision**

My final decision is that I uphold Mr J's complaint and require TSB Bank plc to pay him redress as specified above,

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 28 June 2022.

A handwritten signature in blue ink that reads "R. A. Hill". The signature is written in a cursive style with a large, stylized "R" and "H".

Richard Hill  
**Ombudsman**