

The complaint

Mr and Mrs M have complained that Lloyds Bank PLC (“Lloyds”) didn’t inform them that the travel insurer on its Club Platinum account had changed.

Mr and Mrs M say they later discovered that the new insurer wouldn’t cover the same pre-existing medical conditions that the previous insurer covered.

What happened

From September 2021, Lloyds wrote out to its Club Platinum account holders to explain that it was making changes to the benefits on the account. One of the changes being made was the insurer that provides the travel insurance was changing - with the change in insurers taking effect from 21 November 2021.

Mr and Mrs M say they weren’t informed about the change in insurer and only discovered this recently – when Mrs M called the Club Platinum insurer in January 2025 to check if she would be covered following an MRI scan. The insurer confirmed Mrs M would not be covered for any medical conditions that are still under investigation, even for conditions that the previous insurer had agreed to cover.

Unhappy with this, Mr and Mrs M complained to Lloyds. However, Lloyds didn’t uphold the complaint about the change in travel insurer. Lloyds did however pay £30 to Mr and Mrs M to apologise as a member of staff had incorrectly said that letters had been posted to Mrs M, when they hadn’t been.

After Mr and Mrs M referred their complaint to this service, one of our investigators assessed the complaint, but they didn’t think that Lloyds had acted incorrectly or unfairly.

As Mr and Mrs M didn’t agree with the investigator’s assessment, the complaint was referred for an ombudsman’s 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.

Having considered everything, I don’t uphold this complaint. I will explain why.

Firstly, I understand that Mr and Mrs M say they were told by the previous insurer, that they would be covered for their medical conditions, and the new insurer now won’t do the same. As this complaint is against Lloyds and not the new travel insurer, I can’t address the new insurer’s decision not to cover Mrs M’s conditions here. So, any concerns that Mr and Mrs M may have about the new insurer not agreeing to cover them for their conditions is something that would need to be looked into separately to this complaint.

Turning now to Lloyds’s involvement in this complaint, the Club Platinum account operates on a rolling basis (although account benefits and upgrades are renewed annually). So, as and when Lloyds need to make changes to the features on the account (such as changing

the product provider), it is inevitable that some account holders who may be relying on such a benefit(s), may be negatively affected by any changes made.

Because of this, Lloyds is required to inform affected account holders of any changes that are due to be made, and clearly set out what options they have, to ensure they can make an informed decision. Lloyds is required to send out such notification with reasonable notice, so as to give affected account holders time to consider their options.

In this case, Lloyds has provided evidence to show that it had sent out its notification to Mr and Mrs M about the change in travel insurer, in September 2021. As the change was due to take place with effect from 21 November 2021, I think that this amount of notice is reasonable and consistent with the amount of notice that banks generally provide when making changes to packaged accounts.

Turning now to the contents of the notice, I'm satisfied it provided a reasonable explanation about what changes were taking place; when it would take place; and what options were available to account holders. The notification also explained what will happen with account holders who had already paid for an upgrade with the existing insurer and what account holders will need to do if they have a pre-existing medical condition.

In addition to the letter that outlined the change in insurer, Lloyds has also provided evidence to show that annual eligibility reminders were also sent to Mr and Mrs M. These included an explanation as to when the account holder would need to contact the travel insurer if they had any medical conditions. Since the travel insurer changed, these were sent on 13 October 2022, 13 October 2023 and 15 October 2024.

So overall I'm satisfied that Lloyds was doing what it was required to do, to inform Mr and Mrs M about the changes to the travel insurer and sent annual reminders about the insurance products included with their account.

Mr and Mrs M say that they never received any of these letters. However, Lloyds has provided evidence that, on 13 August 2013, Mr and Mrs M had selected to 'go paperless' for both bank statements *and* correspondence on their account. I understand that Mrs M had not registered for online banking, so the letters were sent to Mr M's online banking profile, as that was the only online banking profile associated to the joint account.

Mrs M has asked why letters were also not sent directly to her as well. But given that they had selected to receive bank statements and letters online, then I can't reasonably say that Lloyds is at fault for adhering to their communication preferences. Lloyds sent the information about the joint account to the online banking profile that was registered for the account. And although this included information for both Mr and Mrs M's benefit, I don't think it was unreasonable for Lloyds to expect Mr M to make Mrs M aware of any information received about the joint account. If Mr and Mrs M were unhappy with this arrangement, I've not seen anything that prevented them from changing their preferences back to correspondence being posted to them again.

When Mrs M checked with the insurer in January 2025 whether she'd be covered for her conditions, it may've come as a surprise to hear the insurer say it wouldn't cover her condition, until she received the results of her tests back. However, even if I were to say that Lloyds has done something wrong (although I don't think it did), I can't see that Mr and Mrs M have suffered a financial loss here. I say this because, firstly, Mr and Mrs M were still covered (since the change in insurer) for all insured events unrelated to the medical condition(s). Secondly, I've not seen anything to suggest that Mr and Mrs M have had any claims declined because of the medical conditions. Thirdly, even if Mrs M had discovered

that her conditions may not have been covered sooner, than she likely would've had to pay for equivalent cover elsewhere. And finally, it is now quite common for travel insurers not to cover conditions whilst they are currently under investigation. So, it's possible that Mr and Mrs M would have been in a similar situation, even if they'd taken out cover elsewhere.

I acknowledged that Mrs M had been given incorrect information by Lloyds during the complaint. However, I can't see that the incorrect information would've made a material difference to the outcome of the complaint. And Lloyds did then acknowledge it'd given Mrs M wrong information, clarified what should've been said and paid £30 to apologise, which seems reasonable to me.

So, taking everything into account, I appreciate that Mrs M had been unaware of the change in insurer and hadn't seen the annual reminders, due to Mr and Mrs M selecting to receive correspondence online. But I am unable to say that Lloyds is at fault here or has acted unfairly or unreasonably in how it communicated with Mr and Mrs M about their account. And, whilst I recognise that Mr and Mrs M are unhappy that the 'new' travel insurer can't confirm that it will cover Mrs M's medical conditions until she receives the results of her tests, that is not something I can address within this complaint.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 4 June 2025.

Thomas White
Ombudsman