

## **complaint**

Mr G complains he was mis-sold a packaged bank account by Lloyds Bank PLC in March 1997 because he was told he had to have it and none of the benefits have been of use to him. He also complains that when he asked about downgrading he was incorrectly told he would lose his overdraft if he downgraded.

## **background**

Mr G upgraded to a packaged bank account in a branch of Lloyds in March 1997. He complains he was told free banking was no longer available and he had to upgrade to a packaged bank account in order to keep his overdraft. He says the benefits of the account were of no use to him and he was incorrectly told a mobile phone he had with him at the time would be covered under the packaged bank account even though it was not his. He also says he was later incorrectly told he could not downgrade without losing his overdraft when he queried what he was paying the account fees for.

The adjudicator noted it seemed Mr G had not had an overdraft when his account was upgraded and that mobile phone insurance was not added as a benefit until August 2002. She was therefore not persuaded she could safely rely on Mr G's testimony and so she did not recommend the complaint be upheld.

Mr G did not agree. He maintained Lloyds had registered a mobile phone for him although he could not have benefitted from the cover because it was not his mobile phone. He also maintained he had been told he could not have a free account anymore and that he had not benefitted from the packaged bank account. He said any confusion in the dates on his part was due to the length of time that had passed.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. In deciding this, I have taken into account the law and good industry practice at the time of these events, and any regulatory rules and guidance relevant to the complaint.

There has been a huge amount of publicity about mis-selling of packaged bank accounts recently – and many complaints. But in our experience, packaged bank accounts and the way they were sold varied enormously. From everything I have looked at, it does not appear to me that Mr G's packaged bank account was mis-sold.

This was not an easy matter to decide as the evidence is limited. I accept it is possible Mr G was not given a fair choice whether or not to upgrade to the packaged bank account and was then incorrectly told he could not downgrade. However I agree with the adjudicator that I cannot safely conclude this based on the evidence.

Mr G says he was told free banking was no longer available and he would have to upgrade to a packaged bank account in order to keep his overdraft facility. However, Lloyds says Mr G would not have been told this and has provided evidence that he did not have an overdraft – either at the time of the upgrade or shortly after. In fact, its customer notes for Mr G seem to show that he applied for an overdraft a couple of weeks after the upgrade but this request was turned down. Mr G says that when he later tried to downgrade his account

he was told he would lose his overdraft if he did this but Lloyds says it has no records of him querying the packaged bank account until he complained in January 2013.

Mr G also says a mobile phone he was holding at the time of the upgrade was registered for cover by the Lloyds representative despite him telling her it was not his mobile phone. However, Lloyds has provided evidence that suggests mobile phone insurance was not a benefit of Mr G's packaged bank account until August 2002 – more than five years after the upgrade. It also says it has no record of Mr G registering a mobile phone for cover until March 2005.

Because the evidence I have been provided with is contradictory, I have had to make a finding based on what I think is most likely to have happened.

I note Mr G's comments that any confusion about dates is simply because of the time that has passed since the upgrade. However, I am satisfied that the dates themselves do not actually matter. Central to Mr G's complaint is that a number of events happened at the same time: the upgrade to a packaged bank account; being able to keep his overdraft; and the registration of a mobile phone for mobile phone insurance.

In fact it seems Mr G did not have an overdraft at the time of the upgrade which means it would not make sense for him to have been told he had to upgrade in order to keep his overdraft. It also seems a mobile phone could not have been incorrectly registered for cover at the time of the upgrade because mobile phone insurance was not a benefit of the account at that time. It therefore seems most likely that these events did not all happen at the same time – and in fact there were instead gaps of several years between them.

Whilst it is understandable that Mr G does not have strong recollections of the upgrade – given the time that has passed – it does limit the weight I can place on his recollections. Taking everything into account, I am unable to safely conclude either that Mr G was not given a fair choice whether or not to upgrade to the packaged bank account or that he was incorrectly told he could not downgrade.

Mr G says he did not benefit from the packaged bank account. I cannot say what Mr G may or may not have been able to benefit from as Lloyds is unable to confirm what the benefits of his packaged bank account were in March 1997.

However, from the information I have been provided with, it seems likely that there would have been a range of benefits, including accidental death insurance. As I cannot attach much weight to Mr G's testimony it seems most likely to me that Mr G upgraded to the packaged bank account for these benefits. It also seems that Mr G was able to – and did – use other benefits that were added to the packaged bank account later on. For example, Lloyds says he registered a mobile phone for cover in March 2005.

### **my final decision**

For the reasons set out above, my final decision is that I do not uphold Mr G's complaint against Lloyds Bank PLC.

Laura Layfield  
**ombudsman**