

## **complaint**

Mr S has complained that Lloyds Bank PLC ("Lloyds") mis-sold him a fee-paying Premier packaged bank account in May 2007. Amongst other things he says the benefits were not explained to him, he was unaware that he could have a free account and that he tried to downgrade on a number of occasions but was unable to do so.

## **background**

One of our adjudicators assessed this complaint and ultimately, she didn't think that Lloyds had mis-sold the Premier account. Mr S disagreed with this and therefore his complaint was referred for 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 explained how we handle complaints about packaged bank accounts on our website. I've used this approach to help decide what to do about Mr S's complaint.

Where evidence is incomplete and matters are in dispute, as they are here, I make my decision based on what I think is most likely to have happened. With this in mind, and having considered everything that Mr S and Lloyds have said and provided, I don't uphold this complaint. I will explain why.

Firstly I have considered whether Mr S was given a fair choice in taking out his account.

Mr S says he was unaware that he could have a fee-free account, but I can see that he had held a fee-free account for a number of years prior to the upgrade. So I think he would've been aware that free accounts were an option for him. Mr S has not provided any reason or recollection of the sale as to why he thought that they were no longer available to him. So overall, I think it's likely that Mr S agreed to the upgrade of his account to a Premier account, and he did so knowing he had a choice, although I understand that he may not recall this now, due to the fact it happened over 13 years ago.

This account was recommended to Mr S. Given this, Lloyds had to ensure that it was a broadly reasonable fit for his circumstances at the time. At the time, the Premier account cost £25 per month and provided a range of benefits including worldwide family travel insurance - that included winter sports cover; comprehensive breakdown cover; mobile phone insurance for up to two handsets; card protection; Identity theft protection; and home emergency cover. It also provided non-insurance benefits such as a £500 interest-free overdraft facility, with reduced interest rates on balances overdrawn by more than £500. And it provided other features such as airport lounge access and will writing service, amongst other benefits. I can see that Mr S did register mobile phones under the mobile phone insurance policy - including two phones at the same time. He also made claims on the home emergency cover and frequently used his overdraft facility, so would've benefited from the overdraft benefits it provided. So in the circumstances, I don't think that Lloyds recommendation was unreasonable overall.

Mr S has said that he held alternative cover elsewhere. But I can't see why he could not have cancelled this cover, if he wished to do so. Mr S has also explained that he was not told that he would have to pay an additional premium to cover medical conditions that he

developed whilst holding the account. But given that he did not have these conditions at the time of the sale, and as the decision to charge extra to cover conditions lies with the insurer and not Lloyds, I can't see how Lloyds could have made him aware of this. All Lloyds was required to do was make it clear that if he did develop medical conditions, he would need to declare them to the insurer to check whether they'd be covered by the travel Premier insurance cover. And I can see that Mr S did do this. So from what I have seen, it seems that Lloyds did what it needed to in terms of making him aware of this requirement of the Premier travel cover.

Mr S has also explained that he was not told that the benefits that the account came with could change over time. The terms and conditions of the account give Lloyds the provision to alter the benefits that the account came with provided it gave notice of these changes and I find it unlikely that Mr S was specifically told that the benefits would remain the same in perpetuity. Additionally Mr S has not said that he was unaware of the changes. And the packaged account operates on a monthly rolling basis. So given this I can't say that Lloyds did anything wrong in relation to this, because if Mr S was unhappy with any of the changes made to the account in the time he held it, he was free to change the type of account or take his custom elsewhere.

I accept that Mr S may not have been told everything during the sale, about all of the benefits that the account came with. But I have not seen anything specific about Mr S's circumstances, that makes me think he would've been put off from agreeing to it, had he been given even more information about it.

I appreciate that, with the benefit of hindsight, and perhaps with what Mr S may've read recently about financial products being mis-sold, he may now believe that his Premier account was mis-sold. But based on what Mr S has said, alongside all of the available evidence that I have seen, I can't say that it's more likely than not that his Premier account was mis-sold.

Finally, Mr S has explained that he tried to downgrade his account on a number of occasions, but was unable to do so and has said that he was told that he would not be able to potentially keep the same overdraft facility and would lose the benefits of the account. But I can't see that Lloyds has received any formal request to downgrade his account. I can see a note from Lloyds in which it says that Mr S enquired about downgrading and he was offered a discounted monthly fee for two months which he seems to have accepted.

So I can't see that Lloyds did anything wrong in relation to this aspect of Mr S's complaint. I should remind Mr S that if he does wish to downgrade his account he would need to direct this back to Lloyds via the methods that have already been explained to him.

### **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 Mr S to accept or reject my decision before 3 October 2021.

Charlie Newton  
**ombudsman**

