

complaint

Mrs B has complained that Lloyds Bank PLC mis-sold a Platinum packaged bank account to her in 2006, and a Premier packaged bank account in 2008. She paid a monthly fee for the accounts, which offered a number of benefits in return.

Mrs B has used a claims management company (CMC) to bring her complaint to us.

background

One of our adjudicators has looked into Mrs B's complaint already. The adjudicator didn't think that Lloyds mis-sold the packaged accounts to Mrs B. The CMC didn't accept this assessment and asked for an ombudsman to look at the complaint and make a final decision.

my findings

I've considered all the available evidence and arguments to decide what is 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 me decide what to do about Mrs B's complaint. I agree with our adjudicator that Lloyds did not mis-sell the packaged accounts to Mrs B.

When the CMC disagreed with our adjudicator and asked for an ombudsman to look into the complaint, it didn't give any reasons. But in fairness to Mrs B, I have considered the complaint again in full, looking at all the information we have.

Having done so, I still don't think that Mrs B's complaint should be upheld.

- Mrs B has said that she was told the packaged accounts were compulsory – and she wasn't given the option of a fee free account. But I can see that Mrs B took the Platinum bank account by switching from a free account, which she'd previously downgraded from a different packaged bank account. So I think she knew she didn't have to pay to have a current account. She later upgraded to the Premier account. And the customer notes Lloyds has provided suggest that she did so to benefit from the wider range of benefits the Premier account offered. So I think overall, it's most likely that Mrs B chose to take the accounts, knowing she didn't have to, because there was something about them that she found attractive.
- Mrs B has said that Lloyds advised her to take the accounts. I think Lloyds probably did discuss the main benefits of the accounts and how they might be useful. But I haven't seen anything to make me think that there was a detailed conversation about Mrs B's circumstances, or that Lloyds made a tailored recommendation for either account. So I don't think Lloyds did recommend the packaged accounts to Mrs B, which means it didn't have to check if the accounts were suitable for her.

- Lloyds had to give Mrs B enough clear information about the packaged accounts for her to decide if she wanted it. I think that Mrs B was attracted to some of the benefits of the packaged accounts and chose them because of these benefits. Looking at the Platinum account, I can see it offered a preferential interest rate for overdrafts – and at the time, Mrs B was using her overdraft regularly. The Platinum account also offered worldwide travel insurance. As Mrs B has said she travelled one to three times a year, and that she used the travel insurance, I think this might have been something that interested her. Lloyds' records confirm that the Platinum account was offered to Mrs B at a reduced rate for the first three months, suggesting that costs were discussed.

After upgrading to the Premier account, Mrs B registered three smartphones with the insurer, suggesting she was interested in the mobile phone insurance. She also opened a savings account, which attracted a preferential rate of interest when she held a Premier account. Taking this together with Lloyds' customer notes, which say Mrs B upgraded because she was attracted to the better range of benefits, I think Mrs B felt at least some of the benefits would be of value to her. She may not have used all the benefits offered by both accounts, but this doesn't mean Lloyds mis-sold the accounts.

- It's possible that Lloyds didn't tell Mrs B everything it should have about the packaged accounts. But I haven't seen anything to make me think that Mrs B wouldn't still have taken the accounts even if Lloyds had told her everything.

I want to reassure Mrs B that I have looked at all the information I have about her complaint. Having done so I don't think Lloyds mis-sold the packaged accounts to her.

my final decision

For the reasons I've explained, I don't uphold Mrs B's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs B to accept or reject my decision before 5 November 2015.

Cara Goodbody
ombudsman