

## **complaint**

Mrs C and Mr E have complained that Lloyds Bank PLC ("Lloyds") mis-sold a Select packaged bank account to them in 2006. They pay a monthly fee for the account which provides some benefits.

Mrs C and Mr E have used a claims management company (CMC) to bring this complaint.

## **background**

One of our adjudicators has looked into Mrs C and Mr E's complaint already and he didn't think that Lloyds mis-sold the packaged account to Mrs C and Mr E. The CMC didn't accept this 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's fair and reasonable in the circumstances of this complaint.

We've explained how we handle complaints about packaged bank accounts on our website. And I've used this approach to help me decide what to do about Mrs C and Mr E's complaint. I agree with our adjudicator that Lloyds didn't mis-sell the packaged account to Mrs C and Mr E. And so it doesn't need to pay them any compensation. I'd like to explain why.

When the CMC disagreed with our adjudicator and asked for an ombudsman to look into the complaint, it said that Lloyds should be able to provide a copy of the call recording from the sale. And as Lloyds hasn't done so, the complaint should be upheld.

I've carefully thought about this and everything else I've seen on this complaint. But I don't think that our adjudicator was wrong because:

- It looks like Mrs C and Mr E's account was upgraded to the Select account from a fee free one that they'd previously had for a number of years. Mrs C and Mr E say that they were pressured into taking the accounts because of their financial situation at the time. But it looks like the sale took place over the phone. The representative seems to be suggesting that I should uphold the complaint because Lloyds hasn't provided a recording of the sales call. But the sale took place nearly ten years ago. And Lloyds isn't obliged to still have a call recording from that long ago. So I don't think that there's anything untoward in Lloyds no longer having this call. I'm also mindful that Mrs C and Mr E haven't provided any detail on what it was they were told during the call that made them feel they had to take the accounts – after all they could've just hung up the phone if they didn't want to proceed with the upgrade. So I think it's more likely that Mrs C and Mr E would've known they didn't have to agree the packaged account and they could've kept the account they already had if that's what they really wanted. Having thought about everything, I think it's likely that Lloyds gave Mrs C and Mr E a fair choice. And I think it's likely they chose to upgrade as they thought that the benefits included on the account might prove useful to them.
- From what I've seen, I think that Lloyds recommended the packaged account to Mrs C and Mr E. This means that Lloyds had to make a fair recommendation by taking adequate steps to ensure that the selected account was a reasonable fit for

their circumstances. I don't know how far Lloyds enquired into Mrs C and Mr E's circumstances before it recommended the Select account. But I don't think that any shortcomings that may have existed in Lloyds' assessment of Mrs C and Mr E's demands and needs resulted in an unfair or inappropriate recommendation being made to them. I say this because having thought about Mrs C and Mr E's wider circumstances and their actions since upgrading, I think they were interested in mobile phone insurance and breakdown cover. Mrs C and Mr E's registration of eight handsets – one shortly after the upgrade to the Select account - and their use of the breakdown cover does appear to support this. At the time, the Select account was the cheapest account in Lloyds' range that included these benefits. And upgrading to the Select account was the only way that Mrs C and Mr E were able to have these benefits with Lloyds. So I think the Select account was a reasonable fit when taking into account their demands and needs at the time and the advisor made a fair recommendation. I've also thought about what Mrs C and Mr E have said about existing conditions. But as the account didn't include travel insurance, I don't think this would've affected their ability to use any of the benefits included in the package.

- Mrs C and Mr E might now, with the benefit of hindsight, think that they haven't benefitted from the accounts as much as they hoped and expected to when they upgraded. And given what they may have read or heard about packaged accounts, I can understand why this might now lead them to believe their account was mis-sold. But I think it's likely that Mrs C and Mr E freely chose to upgrade. They used some of the main benefits and there were others available too if they wanted to use them.

I've looked at all the information Mrs C and Mr E and their representative have provided about this complaint. And having done so, I don't think that Lloyds mis-sold the packaged accounts to Mrs C and Mr E. So I don't think it owes them any money.

### **my final decision**

For the reasons I've explained, I don't uphold Mrs C and Mr E's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs C and Mr E to accept or reject my decision before 12 November 2015.

Jeshen Narayanan  
**ombudsman**