

complaint

Miss F has complained that she was mis-sold a packaged bank account by Lloyds Bank PLC ("Lloyds").

background

Miss F opened a Silver Vantage packaged account with Lloyds in July 2009. She says that this was the only option given to her and that she was told she needed to have the account in order to get a debit card. Miss F also says that she didn't need the benefits of the account.

Our adjudicator didn't uphold this complaint. Miss F disagrees with this so the case has come to me to 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.

I've decided not to uphold Miss F's complaint for the reasons set out below.

Miss F has indicated that she held a free account before taking out her packaged bank account. Free accounts were also widely available in this country at the time and I think Miss F is likely to have been aware of that. Miss F has said that the packaged account was the only option given to her and that she was told she had to have one to get a debit card. Lloyds offered and continue to offer free accounts and Miss F would have been able to have a debit card with a free account.

This is a difficult matter to decide upon as there is no direct evidence from the sale to show what was said to Miss F. 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 given the evidence that is available and the wider circumstances at the time. And in this particular case I don't think it likely that Miss F was misled in the way she suggests. I think it's more likely that she was given a fair choice about whether to take the account with Lloyds and chose to do so because she was attracted to some of the benefits it offered.

Both parties have said that this was an advised sale and having looked at the evidence, I think that this was likely to have been the case. This means that Lloyds did have to check the account was suitable for Miss F.

Lloyds has provided documentation from the time Miss F took out the Silver Vantage account. This shows that she expressed a need for breakdown cover. I can see that Miss F went on to make three claims on the breakdown cover. She also registered a mobile phone and contacted the travel insurance provider. So I think it's likely that Miss F was made aware of the main benefits of the Silver Vantage account when she took it out and that some of them were suitable for her at the time.

Miss F has said that she didn't own a car at the time of sale, had a cheap mobile phone and didn't travel. Although the first claim made by Miss F on the breakdown cover was almost a year after she opened the account, the fact she hasn't had to make a claim before then doesn't mean that she didn't need this benefit. Miss F has confirmed that she had use of a car at the time she opened the account so she would still have been able to rely on the breakdown cover. She also says that she brought a car within a few months of taking out the account. Her statements from around the time she took the account appear to show that she was paying for car insurance within three months of opening it which appears to fit with what she has said. The statements also show use of a mobile phone. So I think Miss F could have benefitted from the mobile phone insurance and breakdown cover. The Silver account was the cheapest account offered by Lloyds at the time which provided breakdown cover and mobile phone insurance so I think it was an appropriate recommendation.

Packaged bank accounts are rarely tailored to the individual so it's unlikely that every customer will find every benefit useful. The fact that Miss F may not have used all of the benefits doesn't mean the account was unsuitable or mis-sold. I haven't seen anything which prevented her from benefitting from the account as a whole or which suggests that the account was inappropriate for her at the time.

Miss F has raised that she contacted the bank around two years after she took out the account as she was in financial difficulties. She has said that Lloyds didn't offer to remove the charge for the packaged account. Packaged accounts can still be beneficial where someone is in financial difficulties. And it was for Miss F to monitor whether the Silver account continued to be a good product for her over time – not Lloyds. As set out above, I think Miss F is likely to have known that free accounts were available and she could have downgraded at any stage if she wanted to and if she found that she was no longer able to afford the account fee over time.

my final decision

For the reasons given above, I do not uphold the complaint or make any award against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss F to accept or reject my decision before 11 April 2016.

Rachel Ellis
ombudsman