

complaint

Mr and Mrs C complain they were upgraded to a packaged account by Lloyds Bank PLC without their knowledge.

background

Mr and Mrs C had a fee-free account with Lloyds for many years before they were upgraded to the packaged account in November 2002. They say they didn't know they'd been upgraded and are unhappy they've been paying a monthly fee for something they say they didn't need.

Our adjudicator didn't uphold the complaint. She said she thought it was most likely Mr and Mrs C knew they had the account and were paying a fee. And pointed out that they'd made an enquiry about the car breakdown cover in 2004.

Mr and Mrs C didn't agree. They said they only used the branch in which Lloyds says the account was upgraded for business banking. And that they only found out about the car breakdown cover later.

So I've been asked 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. Having done so, I've decided not to uphold it. I explain why below.

Mr and Mrs C say they were upgraded without their knowledge. But I think it's most likely they agreed to upgrade even if they can't now remember doing so. At the time of the upgrade Mr and Mrs C wouldn't have needed to pay for the account or its benefits (the main benefit was initially travel insurance). This is because Lloyds waived the fee for those customers who were in credit by more than a certain amount. And I can see this applied to Mr and Mrs C for at least the first few years they had the account. So I think they probably agreed to upgrade because they were effectively getting the benefits for free.

Since November 2002, Lloyds says Mr and Mrs C would've been sent a huge amount of correspondence about the account. Telling them about benefits being added or that the fee was changing. It seems clear to me that they got and read at least some of this correspondence as they made an enquiry about the car breakdown cover shortly after it had been added.

Mr and Mrs C say they didn't need some of the benefits which were added. And I accept this might've been true. But Lloyds couldn't have known this. It needed to tell Mr and Mrs C (and the rest of its customers) about the benefits it was adding. And I think it wrote to them and did this. It was for Mr and Mrs C to decide whether they wanted to keep the account or not.

my final decision

It's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 13 November 2015.

Graham Booth
ombudsman