

complaint

Mr D has complained that TSB Bank plc ("TSB") mis-sold a 'Platinum' and later a 'Premier' packaged bank account to him in 2011 and 2012. He paid a monthly fee for the accounts and could have used several benefits in return.

background

One of our adjudicators has looked into Mr D's complaint already. The adjudicator didn't think that TSB mis-sold the packaged account to Mr D and didn't recommend that TSB should pay him any compensation. Mr D didn't accept this recommendation 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. I've used this approach to decide what to do about Mr D's complaint.

I agree with our adjudicator that TSB didn't mis-sell the packaged account to Mr D and so it doesn't owe him any compensation. This is because:

- Mr D has told us that when he opened the Platinum account and then later agreed to upgrade to the Premier account, he didn't know that TSB offered fee free accounts. However Mr D has also told us that he had previously held a free account somewhere else. As free bank accounts are widely available in the United Kingdom, and he had previously had a free account, I think it's likely that Mr D would have known that it was possible to get a free account if he didn't want to pay for an account with benefits. And while I've taken everything Mr D has said about not being offered a free account into consideration, I can't safely conclude, based on what I've seen, that TSB told Mr D he *had* to take the Platinum or Premier accounts. So taking everything into consideration, I think Mr D should have been aware that he had a choice about taking the packaged accounts and that he chose to do so because he was attracted to some of the benefits they offered.
- I don't think that TSB recommended the packaged accounts to Mr D so it didn't have to check if the accounts were suitable for him. But TSB still had to give Mr D enough clear information about the packaged accounts for him to decide if he wanted them. Like our adjudicator, I think that Mr D was attracted to some of the benefits of the packaged accounts and chose them because of these benefits.

Both Mr D and TSB have confirmed that Mr D registered for a number of the benefits attached to the packaged accounts. These include things like the mobile phone insurance, ID aware (which was only available through the Premier account) as well as credit reports and text alerts. So I think Mr D was aware that the accounts had benefits attached to them and was interested in a number of these benefits.

In addition to the above Mr D also received a preferential rate on his savings account and overdraft which he wouldn't have benefitted from without the packaged accounts. Mr D has said that as a result of having the Premier account he used his overdraft

regularly and that every time he asked for the limit to be increased it was. As a result of this Mr D's overdraft reached a limit of £3,000 which he feels wouldn't have happened had he not had a packaged account. While I understand Mr D feels that the packaged accounts have cost him money through having an overdraft facility, free accounts also offered overdrafts. And the packaged accounts did not come with a guaranteed overdraft facility. Providing an overdraft was still at the discretion of the bank and it could have been given to Mr D regardless of whether or not he had a packaged account or a fee free account. So I can't be sure that Mr D would not have ended up with the same overdraft facility and limit on a fee free account but with a higher interest rate and without the initial interest free element. So I don't think this indicates that the accounts were mis-sold.

- It's possible that TSB didn't tell Mr D everything it should have about the packaged accounts. But I haven't seen anything to make me think that Mr D would not still have taken the accounts even if TSB had told him everything.

With hindsight, Mr D might feel that the packaged accounts weren't particularly beneficial to him. But taking the evidence as a whole, I think it's more likely than not that he agreed to take the accounts, knowing he had a choice and that he was taking an account with benefits. And I'm not persuaded that he would have managed his overdraft any differently on a free account had he taken one.

I want to reassure Mr D that I've looked at all the information I have about his complaint. And I've thought about everything he has said. But having done so I don't think TSB mis-sold the packaged accounts to him. So I don't think it owes him any money.

my final decision

For the reasons I've explained, I don't uphold Mr D's complaint against TSB Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 9 November 2015.

Karen Hanlon
ombudsman