

complaint

Ms W has complained that Lloyds Bank Plc ("Lloyds") mis-sold a Select account in 2007 and a Premier account to her in November 2009.

background

Prior to this complaint being brought to this service, Lloyds put Ms W back in the position that she would have been in had the sale of the Premier account not taken place. Lloyds has done this by refunding the difference between the account fee for the Premier account and what Ms W would've paid had she remained on the Select account.

One of our adjudicators looked at Ms W's complaint and he did not think that the Select account had been mis-sold. And he thought what Lloyds has agreed to do in relation to the Premier account was reasonable. Ms W did not agree and asked for an ombudsman's decision.

I note that Ms W, in her submissions to this service, has mentioned that she thinks that she was mis-sold an overdraft when she should have been sold a personal loan. I cannot see that she has raised this directly with the Lloyds, if she is still unhappy with this, she would need to raise this directly with Lloyds in the first instance.

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 Ms W's complaint.

Having carefully thought about everything I've been provided with, I don't think that Lloyds mis-sold the packaged account to Ms W and I think that what Lloyds has offered to do in relation to the Premier account is sufficient. I'd like to explain the reasons for my decision.

why I don't think that the Select account was mis-sold to Ms W

I've started by thinking about whether Ms W was given a clear choice in taking her packaged account. At this point, it may help for me to explain that I have to make my decision based on what I think is most likely to have happened, having weighed up what Ms W and Lloyds have been able to provide me with.

In this case Ms W upgraded to the Select account from a free account that she had held for a number of years so I think that Ms W would've been aware that free account were available to her. Ms W has said that she upgraded to get a larger overdraft but given what else she has said in relation to this I think that her recollections seem to relate to the sale of the Premier account. I can though see that Ms W did take out a small overdraft of £50 at the time of the sale of the Select account. As a £50 interest free overdraft was a benefit of the Select account I think that it is likely that one of the reasons that she took out the account was for an interest free overdraft rather than to get an overdraft in the first place. So overall I think that Ms W took out the Select account having been given a fair choice.

I am satisfied that Lloyds did recommend the Select account to Ms W. So Lloyds needed to ensure that the account was right for her given her circumstances at the time the account was taken out.

At the time the Select account was taken out the main benefits that it came with were breakdown cover, mobile phone insurance and a £50 interest free overdraft facility. I can see that Ms W did drive, did have a mobile phone and used her overdraft. Given this, I don't think that Lloyds' recommendation was inappropriate.

Ms W says that she was not told to register for the benefits that the account came with. But the only benefit that required registration was the mobile phone insurance. And I can't see that Ms W had a claim declined by not registering for this benefit, so even if Lloyds had not mentioned this requirement, I cannot see that Ms W suffered a loss due to this.

I accept that Ms W may not have been told everything about all the other benefits that came with the Select account. But I cannot see anything specific that she was not told, that I think would've changed her decision to take out the account.

So I want to reassure Ms W that despite any concerns she might have with Lloyds' investigation into her complaint, having looked at everything provided and thought about what she's said, my independent conclusion is that I don't think Lloyds mis-sold the Select packaged account to her.

why I think that what Lloyds has already done for the Premier account sale is sufficient

In this instance, Lloyds has refunded the difference between the cost of the Premier account and what Ms W would've paid had she stayed on the Select account. In effect this has put Ms W back in the position that she would've been in, had the Premier account sale not taken place. As I think that the Select account was not mis-sold, I think that what Lloyds has done is enough.

Overall I don't think that the Select account was mis-sold or that Lloyds needs to do anything more in relation to the sale of the Premier account.

my final decision

For the reasons I've explained, I'm not upholding Ms W's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms W to accept or reject my decision before 11 May 2019.

Charlie Newton
ombudsman