

complaint

Mrs G has complained that Lloyds Bank PLC ("Lloyds") mis-sold a Select packaged bank account to her in 2007.

background

One of our adjudicators looked at Mrs G's complaint and didn't think Lloyds had mis-sold the packaged account. Mrs G disagreed and asked for an ombudsman's 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 Mrs G's complaint.

Having carefully thought about everything I've been provided with, I don't think that Lloyds mis-sold the Select account to Mrs G. I'd like to explain the reasons for my decision.

I've started by thinking about whether Mrs G was given a clear choice in taking the Select account. At this point, it may help for me to explain that I have to make my decision based on what I think is more likely than not to have happened. And in working out what I think is more likely than not to have happened, I have to think about everything I've been told together with everything else I've been provided with and see how this fits with what I do know.

In other words, what I have to do, in this case, is decide what I think is more likely than not to have happened having weighed up what Mrs G and Lloyds have been able to provide me with.

Mrs G's account was opened as a free account a number of years before it was switched to a fee paying Select one. So I think Mrs G would've known Lloyds did free accounts. Mrs G says she was told she couldn't have a fee free account anymore. But she's not said anything about what it was she was told had changed in her circumstances which meant she now had to have a fee paying account when she didn't before.

Mrs G may well have been offered the account. But that doesn't mean she had to have it. And I simply haven't seen enough here to be able to reasonably say it's more likely than not Mrs G was misled into thinking she had to have the Select account. So overall and having thought about everything, I think it's more likely than not Mrs G was given a fair choice in taking out the Select account. And I think it's likely she agreed to it as she, at the time, thought the benefits it included might prove useful to have.

Lloyds says it recommended the Select account to Mrs G. So Lloyds had to make a fair recommendation, by taking adequate steps to ensure the account was a reasonable fit for Mrs G's circumstances. Having thought about Mrs G's circumstances and her actions since upgrading, I don't think Lloyds' recommendation of the Select account was wholly unfair or inappropriate. I think Mrs G was attracted to some of the benefits and she could've used them. And it looks to me that the account chosen was, on the whole, a reasonable match when the benefits Mrs G had a need for and may have wanted are taken into account.

The documentation from when the account was sold suggests Lloyds recommended the Select account for mobile phone insurance. Mrs G registered a handset for this cover and went on to make a claim. I've seen what Mrs G has said about only registering handsets sometime after the sale of the account. But nonetheless I think it's fair to say that Mrs G had a protection need for mobile phone insurance, at the time of sale. And her eventual registration of a number of handsets is indicative of her relying on the cover.

Mrs G also drove and had a car. So I'm satisfied she could've used the breakdown cover which was the other main benefit included on the account. And at the time, the Select account was the cheapest one Lloyds' offered which included the mobile phone insurance. Mrs G's actions appear to indicate she wanted and needed the breakdown cover, I'm satisfied she could've used. So overall I don't think it was unfair for Lloyds to recommend the Select account to her.

I'm open to the possibility Mrs G might not have been told absolutely everything she needed to know about the account. But I haven't seen anything in Mrs G's then circumstances which suggest she would've been affected by any of the main limitations or exclusions. So I don't think clearer information would've stopped her taking the account in the first place.

Mrs G may now, with the benefit of hindsight, believe she hasn't benefitted from the account as much as she'd hoped and expected to when she initially upgraded. And given what she may've read or heard about packaged accounts in general, I can understand why she might think her account was mis-sold. But I think Mrs G chose to accept, what on the face of things appears to be, a reasonable recommendation. So having thought about everything provided and listened to what Mrs G has said, I don't think Lloyds mis-sold the Select account to her.

my final decision

For the reasons I've explained, I'm not upholding Mrs G's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs G to accept or reject my decision before 8 September 2018.

Jeshen Narayanan
ombudsman