

## **complaint**

Mr and Mrs I have complained that TSB Bank PLC ("TSB") mis-sold a Select packaged bank account to them sometime before 2001. They paid a monthly fee for the account which included some benefits.

## **background**

Mr and Mrs I also complained about the sale of a Gold account that took place in 2007. When TSB looked at Mr and Mrs I's complaint it agreed that they shouldn't have been sold the Gold account. So it refunded the difference between the account fees on the Gold and Select accounts. It also added interest to this amount. Mr and Mrs I were unhappy with this as they thought they shouldn't have been sold the Select account either. As TSB accepted that it shouldn't have sold the Gold account, I've only looked at whether the Select account was mis-sold to Mr and Mrs I.

One of our adjudicators looked into Mr and Mrs I's complaint and didn't think that TSB mis-sold the Select account. Mr and Mrs I didn't accept this 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 help me decide Mr and Mrs I's complaint. I agree with our adjudicator that TSB mis-sell the Select account to Mr and Mrs I and so it doesn't owe Mr and Mrs I any more compensation. I'd like to explain why.

When Mr and Mrs I asked for an ombudsman to look into the complaint they said that they weren't given a choice about taking the Select account. And they didn't register the mobile phone TSB said they did.

I've carefully thought about these points and everything else I've seen. But I don't think that Mr and Mrs I's complaint should be upheld. I'd like to explain why.

I've started by thinking about whether Mr and Mrs I were given a choice in taking the 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. And in working out what I think is most likely to have happened, I have to think about everything I've been told and 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 most likely to have happened having weighed up what both Mr and Mrs I and TSB have been able to provide me with.

This all took place quite a long time ago – possibly up to 20 years ago. And quite understandably there's very little information left from the time Mr and Mrs I took out the Select account. But what I do know is that Mr and Mrs I opened a current account with TSB in 1992. TSB can't say for sure what type of account was opened as its records only go back to September 2001 - although these suggest that Mr and Mrs I had a Select account at that point. It's my understanding that TSB didn't offer packaged accounts in 1992 – they only

started offering them a couple of years after this. So I think that it's most likely Mr and Mrs I initially opened a fee free account.

I've seen that Mr and Mrs I have said that they were told they'd have to pay a fee if they wanted to keep their overdraft. It's my understanding that prior to September 2001, TSB charged an overdraft arrangement fee of £5 a month. When it was introduced, and when Mr and Mrs I most likely upgraded, the Select account cost £3 a month. And Select account holders didn't have to pay the £5 a month overdraft fee as long as they stayed within their agreed limit. Given that this is the case, I think it's likely that the TSB salesperson may well have told Mr and Mrs I that they might want to consider upgrading to avoid having to pay the £5 a month overdraft fee. And the salesperson may even have said that Mr and Mrs I would have to pay for their overdraft if they didn't upgrade. But as it's likely that this was genuinely the case, I don't think that Mr and Mrs I were unfairly misled into upgrading to the Select account.

So having thought about everything carefully, I think it's most likely that Mr and Mrs I were given a fair choice. And I think they most likely chose to upgrade to the Select account because doing so meant that they'd pay £3 a month rather than £5 a month.

From what Mr and Mrs I have said, it seems unlikely that TSB assessed their circumstances before selling them the Select account. So I haven't seen enough here to be able to say that the account was recommended to them. This means that I don't think that TSB had to check if the account benefits were suitable for them. I think it's likely that Mr and Mrs I were told about the main benefits on the account. After all TSB was trying to get them to pay for an account and telling them what they'd get in return for the monthly fee was probably the best way to do this. Although I do accept that Mr and Mrs I may not remember any of this discussion, given how long ago this all took place and their primary focus appears to have been on their overdraft.

As I can't be sure when Mr and Mrs I upgraded to the Select account, I don't know what other benefits were included at the time. But having taken everything into account, I think there were benefits that were probably attractive to them for the cost (as explained the account was reasonably cheap at that time). Although there were benefits that might not have been as useful to them as the overdraft ones, packaged bank accounts are rarely tailored to individuals so it's unlikely every customer will find every benefit useful.

I've thought about what Mr and Mrs I have said about not registering the phone that TSB has told us about. But I don't think that this matters here anyway, as I'm looking at what happened when Mr and Mrs I took out the Select account and mobile phone insurance wasn't a benefit on the account at the time they upgraded. This didn't happen until a few years later. So while I don't know if TSB's records are accurate on the phone it says Mr and Mrs I registered, or even if Mr and Mrs I registered a handset at all, this doesn't make a difference to the outcome of Mr and Mrs I's complaint about the sale of the account.

Mr and Mrs I might think that they haven't benefitted from the account. Especially as the sale took place such a long time ago and they may well no longer remember the exact details of the discussion that's likely to have taken place about overdraft charges at the time. And given what they may have read or heard about packaged accounts in general, I can fully understand why they may now think that their account was mis-sold. But I think it's most likely Mr and Mrs I chose to take out the packaged account because they would have to pay for their overdraft if they didn't. And as these charges would've applied on fee free accounts, I don't think that Mr and Mrs I were misled into taking an account that they otherwise

wouldn't have. So I want to reassure Mr and Mrs I that I don't think that TSB has treated them unreasonably here.

**my final decision**

For the reasons I've explained, I don't uphold Mr and Mrs I's complaint.

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

Jeshen Narayanan  
**ombudsman**