

## **complaint**

Ms D has complained that TSB Bank plc (“TSB”) mis-sold him a Silver packaged bank account in 2012.

## **background**

One of our adjudicators has looked into Ms D’s complaint. She thought TSB had mis-sold the Silver account. TSB disagreed and asked for an ombudsman to look at the complaint.

## **my findings**

I’ve considered all the available evidence and arguments and I’ve decided what I think is 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 D’s complaint.

Having carefully thought about everything provided, I’m upholding this complaint. I’d like to explain the reasons for my decision.

It’s my understanding that TSB recommended the Silver account to Ms D. This means that it had to assess her circumstances and ensure the selected account was a reasonable fit for them *before* recommending it to her.

At the time it was recommended the main benefits included on the Silver account were breakdown cover, mobile phone insurance and European travel insurance. TSB has provided extracts from the ‘Your Personal Summary and Our Recommendation’ (“YPSOR”) document, which is TSB’s equivalent of a demands and needs statement, completed at the time of the sale.

Having looked at the YPSOR it looks like Ms D told TSB that she already had existing cover which met her needs for mobile phone insurance, breakdown cover and travel insurance. As this is the case, I’m having difficulty understanding why TSB’s salesperson thought Ms D wanted and needed the benefits included on this account when she already had them all elsewhere.

I’ve seen TSB’s request for Ms D’s bank statements for another account. But I don’t see how this is relevant here as its own documentation from the time the account was sold suggests that Ms D already had the main benefits included on the Silver account. And as I’m relying on TSB’s own documentation, I don’t think it’s necessary to obtain copies of Ms D’s bank statements.

I’d also add, even if only for the sake of completeness, that as I’m thinking about Ms D’s circumstances at the time the account was sold, I don’t think that her registration of a handset for the mobile phone insurance, more than two years after she was sold the Silver account, means that she wanted and needed this cover with TSB at the time.

I’ve also thought about what TSB has said about it being the case that Ms D could’ve cancelled the account within the cooling off period if she didn’t think it was right for her. But I think that TSB is overlooking the fact that it was its responsibility to ensure that the account was right for Ms D. Ms D was perfectly entitled to rely on the recommendation she was provided with. And for the reasons I’ve already explained, I don’t think that the Silver account

was right for Ms D. I don't think that Ms D's failure to cancel the account within the cooling off period changes this.

In conclusion, having carefully thought about everything provided, I don't think TSB's recommendation of the Silver account to Ms D was fair or appropriate, as she already had all the benefits of the account elsewhere. I don't think that Ms D would've taken the account out if TSB hadn't made an unfair recommendation to her. So I think that Ms D has lost out because of what TSB did wrong.

### **what TSB should do to put things right**

TSB should put Ms D back into the position she would be in, if it hadn't mis-sold the Silver account to her. So TSB should:

- refund and pay to Ms D all the fees she paid for the Silver account; and
- add interest at 8% per year simple on each of the above fees from the date they were paid to the date of settlement†.

If TSB is able to work out any *additional* savings Ms D has made from holding the account **and** it can show these calculations to her, it may, if it wants, deduct this additional saving from any compensation that is paid.

†HM Revenue & Customs requires TSB to take off tax from this interest. TSB must give Ms D a certificate showing how much tax it's taken off if she asks for one.

### **my decision**

For the reasons given above, I'm upholding Ms D's complaint. TSB Bank plc should pay Ms D redress as set out above.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms D to accept or reject my decision before 7 September 2017.

Jeshen Narayanan  
**ombudsman**