

complaint

Ms M has complained that TSB Bank plc ("TSB") mis-sold her a packaged bank account. She paid a monthly fee for the account which provided several benefits in return.

background

One of our adjudicators has looked into Ms M's complaint already. The adjudicator didn't think that TSB mis-sold the packaged account to Ms M and didn't recommend that TSB should pay her any compensation. Ms M 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 is 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 Ms M's complaint.

When Ms M asked for an ombudsman to review her complaint she made clear that she was only complaining about the Platinum packaged account that she took in 2007. I have limited my decision accordingly.

I've decided not to uphold Ms M's complaint. Let me explain why.

Ms M took a Select packaged bank account by upgrading from a fee free account that she'd held for some time. In 2006 Ms M upgraded her account to a Gold packaged bank account and she upgraded again in 2007 to a Platinum packaged bank account. So I think that Ms M understood that she had a choice about her bank account and was aware that she didn't have to pay for a bank account if she didn't want to.

I appreciate that Ms M feels that TSB forced her into taking the account. But my understanding is that she wanted access to special interest rates for her overdraft facility. So even though the overdraft facility was available with a fee free account, special interest rates were only available with a packaged account. With the Platinum account Ms M didn't have to pay interest on her overdraft as long as she stayed within her approved overdraft limit and she received a preferential interest rate on amounts over this limit. Taking everything into consideration, I think that TSB gave Ms M a fair choice on upgrading and I think that she chose to take the Platinum account because she was attracted to at least some of the benefits.

I've not seen any persuasive evidence to suggest that TSB recommended the Platinum account to Ms M. This means it didn't have to check if it was suitable for her. It was up to Ms M to consider whether or not the account was right for her based on her circumstances.

But, TSB did have to give Ms M enough clear information about the account for her to decide if she wanted it. I don't know what Ms M would've been told when Platinum account was sold. But I do think TSB probably did tell her about the main benefits of the account, like the interest free overdraft, because those would've made the account more attractive to her.

It's possible that TSB didn't tell Ms M everything it should've about the Platinum account. But I haven't seen anything which persuades me that Ms M would've made a different decision

and not taken the account even if TSB had told her everything. This is because, as I mention above, I'm satisfied she chose to take the Platinum account knowing that she didn't have to. And I've seen nothing to suggest she couldn't have relied on the benefits of this account.

I accept that Ms M may not have been interested in all the benefits of the account, but a customer doesn't have to find all the benefits useful to be attracted to the account as a package. Ms M may now feel that the Platinum account hasn't been good value for money, but at the time it was sold I think she chose to upgrade and was willing to pay the fee, knowing what benefits were offered.

I want to reassure Ms M that I've looked at all the information I have about her complaint. And I've thought about everything she's said. But having done so I don't think TSB mis-sold the Platinum packaged account to her. So I don't think it owes her any money.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 29 December 2015.

Jennifer Wood
ombudsman