

## **The complaint**

Mr F has complained that TSB Bank PLC ("TSB") mis-sold him fee-paying Select and Platinum packaged accounts in April 2007 and December 2007, respectively.

Mr F has given a number of reasons why he says they were mis-sold. These include that he was told that they would help improve his credit score and that they were needed to access benefits such as a credit card and loan. Mr F also says that TSB knew that he wasn't eligible to claim on one or more of the benefits.

## **What happened**

TSB said that Mr F had complained outside of the time limits that apply when using our service. I issued a decision explaining why our service is able to consider this complaint.

One of our adjudicators assessed the complaint, and she didn't think that the packaged accounts had been mis-sold.

Mr F disagreed, so the matter was referred for an ombudsman's decision.

## **What I've decided – and why**

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 our approach to complaints about packaged accounts on our website and I've used that to help me decide this complaint. And having considered everything, I'm unable to say that the packaged accounts were mis-sold.

Mr F says that he was sold the accounts on the basis that he had to upgrade to a packaged account to obtain a loan. However, apart from Mr F's testimony, there is no other information to indicate that Mr F was actually told this.

TSB has been able to provide evidence about Mr F's loan history. And I can see Mr F didn't apply for a loan until a considerable time later – on 30 December 2008. Therefore, given the significant amount of time between when Mr F upgraded his account and when he eventually applied for a loan, on balance, it doesn't seem likely that Mr F agreed to the Select account because he was led to believe the only way he could get a loan was to upgrade his account.

Furthermore, Mr F upgraded his Select account to a Platinum account online, only a few months after he'd agreed to the Select account. But Mr F's action don't seem consistent with his testimony. What I mean by this is, if it was the case that Mr F genuinely thought he needed the Select account to obtain a loan, I don't see why he would actively choose to upgrade his account online i.e. without the involvement of TSB, to an even more expensive account only a few months later. Instead, I would've expected him to have stayed with the cheapest packaged account available, if he didn't want it but thought he needed it to get a loan.

So having weighed up the available evidence, I think it's more likely that Mr F agreed to the two accounts because he was attracted to the benefits that they provided, rather than because he thought he had no choice in the matter.

The Select account was sold in branch, and it seems that this may've been sold on an advised basis. This meant that TSB had to check that it was appropriate for Mr F's circumstances at the time. However, as the Platinum upgrade occurred online, without the involvement of TSB, I think that was sold on a non-advised basis.

At the time, the Select account cost £7 per month and provided benefits such as breakdown cover and mobile phone cover. It also provided a £50 interest free overdraft facility, with reduced rates of interest on overdrawn balances above this amount, up to the agreed limit.

From the evidence that TSB has provided it appears that Mr F was regularly using his overdraft at the time, and also had a mobile phone. So I think he was likely able to benefit from these features of the account. And as the Select account was the cheapest account to include such features, I think that TSB's recommendation was not unreasonable in the circumstances.

When Mr F upgraded his account to the Platinum account, this meant that he also had travel insurance included with his account. As this was sold on a non-advised basis, TSB didn't need to check if it was right for Mr F. But TSB has provided evidence to indicate that Mr F was regularly travelling abroad at the time. So it seems likely in the circumstances that Mr F upgraded to the Platinum account so that he could get travel insurance (alongside the other benefits included with the Platinum account, some of which replicated the Select account benefits) as well.

As well as making sure the Select account was a reasonable fit for Mr F's circumstances, TSB also had to provide Mr F with the important information about both accounts and the associated features, so that he could make an informed decision about whether to upgrade or not.

Because of how long ago the sales took place, it's not clear what information Mr F was presented with. But having said that, I think it's likely that Mr F was given at least some information about the cost and benefits of the two accounts. For example, I doubt that Mr F would've agreed to the more expensive Platinum account, unless he'd seen information about the account that attracted him to the account. TSB has said that Mr F later went on to register a phone under the mobile phone insurance. Again, this makes me think that Mr F was given enough information to have a good understanding of what was included with his account.

I accept that it's possible that Mr F may not have been given all of the important information about the two accounts, when they were sold to him. But I've not seen anything about Mr F's circumstances that makes me think he would've been put off from agreeing to them, had he been given even more information about them.

So taking everything into account, I don't think that the Select or Platinum accounts were mis-sold.

### **My final decision**

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 16 November 2023.

Thomas White  
**Ombudsman**