

## The complaint

Mr H has complained that TSB Bank plc did not downgrade his packaged account in 2016, after he'd submitted a mis-sale complaint.

Mr H is also unhappy that he was not told that the packaged account he held had been withdrawn from sale to new customers.

To resolve his complaint, Mr H would like a refund of his account fees from 2016.

## What happened

One of our adjudicators assessed the complaint and upheld the complaint in part.

TSB responded and disagreed with the adjudicator's assessment, so the matter was referred for an ombudsman's decision.

I issued a provisional decision on 19 June 2023, explaining why I didn't think the complaint should be upheld. I've included an extract of my provisional decision below, and it forms a part of this decision.

### ***"What I've provisionally decided – and why***

*I've considered all the available evidence and arguments to provisionally 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 reviewed everything, I'm currently minded to reach a different outcome to the one reached by the adjudicator. I have explained why below.*

#### ***Account not downgraded in 2016***

*Mr H has complained that his account was not downgraded in 2016, after he'd submitted a mis-sale complaint.*

*To explain, as the packaged account was sold at a time when TSB was operating under a different name, another bank investigated the mis-sale complaint. Neither Mr H nor TSB have provided us with a copy of the other bank's final response letter from 2016. However, TSB has said that it would've explained how Mr H could downgrade his account – which was essentially to arrange an appointment with TSB so that TSB could run through the benefits being cancelled and to agree the terms and conditions of the new account that he would be changing to.*

*Looking at Mr H's testimony, it does seem that he was aware of this, as he said that once he received the refund of account fees for his mis-sale complaint, he spoke to TSB and TSB said he'd need an appointment to downgrade. Mr H said that as he*

*was busy he never got round to it, and then a lot happened e.g. he moved house and then in 2020 the pandemic occurred.*

*Overall, from the information that I have seen, it does seem as though Mr H was aware of what he needed to do to change his account in 2016. And it seems the account was not downgraded after the mis-sale complaint had been resolved, essentially because Mr H never got round to doing so. But I can't reasonably hold TSB responsible for that.*

*It is the case that I could only recommend a refund of account fees from 2016, if I thought that TSB had done something wrong or acted unfairly. But I can't see that TSB did either. On the contrary, it does look like TSB continued to send Mr H bank statements and documentation about the packaged account in the intervening years since 2016. These would've served as reminders to Mr H that he still held the account.*

*So based on what I have seen so far, I can't reasonably say that TSB should refund Mr H's account fees from 2016.*

#### *Account withdrawn*

*When Mr H spoke to TSB in 2022 about downgrading his account, Mr H was informed that the packaged account he held had been withdrawn from sale. Mr H was unaware of this and says that TSB should've written to him at the time this happened.*

*In the circumstances, I can't see why TSB did need to write to him about this. TSB had decided to withdraw the account for any new applications. However, existing customers were unaffected by this and could still continue to use the account benefits. So I don't think TSB was required to inform Mr H about this, given that it had no impact on his ability to use the account – and bearing in mind that Mr H was already aware since 2016 that he could downgrade his account whenever he wanted to.*

*The only impact the withdrawal of the packaged account had on existing customers was that if they chose to downgrade - as Mr H did in 2022 – they would then be unable to revert back to it later on. But given that Mr H was evidently made aware of this when he downgraded in 2022, this shows that TSB did what it was required to do, to ensure that Mr H was able to make an informed decision about whether to downgrade or not.*

#### *Downgrading in 2022*

*Finally, I can see that the adjudicator upheld this complaint and recommended that the account fees for 8 - 16 June 2022 be refunded. The adjudicator said that TSB should've downgraded the account immediately when Mr H raised his complaint on 8 June, rather than arrange an appointment for him to do so.*

*But in the circumstances, I don't think that what TSB did was unreasonable. I say this because I understand that Mr H could downgrade his account either by completing a form online, or alternatively, by attending an appointment in branch.*

*TSB's contact notes indicate that Mr H was offered the chance to review his account on 2 May 2022, but he said he would consider his options first. So it seems that TSB had already given Mr H an opportunity to downgrade his account in May 2022, but Mr H initially chose not to take TSB up on the offer at the time. And when Mr H called*

*TSB on 8 June 2022, TSB did then arrange an appointment within a reasonable period of time for Mr H and he was then able to downgrade his account successfully.*

*Overall, I think that TSB dealt with the downgrade request in a reasonable manner and I can't see that TSB was trying to prevent Mr H from downgrading his account. As such, I currently don't think that a refund of account fees is warranted in this case."*

After issuing the provisional decision Mr H didn't respond. TSB did respond but said that it has nothing further to add.

### **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.

As no new information has been provided since my provisional decision, I see no reason to reach a different outcome than the one I explained in my provisional decision.

So in summary, I don't uphold this complaint because it seems that the reason why Mr H's account wasn't downgraded in 2016, was because he never got round to it, rather than it being the case that TSB had done something wrong or had acted unfairly.

I also don't think that Mr H needed to be informed that TSB had stopped selling the packaged account to new customers, essentially because this change did not have any impact on his ability to use the account benefits. And it does appear that TSB made Mr H aware that he would be unable to revert back to the packaged account when he downgraded his account. So I think Mr H was given enough information to be able to make an informed decision about whether to downgrade or not.

Finally, I don't think that TSB acted unfairly when the account was downgraded in 2022. TSB had proactively offered Mr H the opportunity to downgrade his account in May 2022, but he declined, so that he could think about it first. And TSB did arrange for Mr H's packaged account to be downgraded within a reasonable period of time, when Mr H told TSB on 8 June 2022 that he wanted to downgrade.

So overall, I think that TSB dealt with the downgrade request in a reasonable manner, and I can't see that TSB prevented Mr H from downgrading his account. As such, I don't think that a refund of account fees is warranted in this case.

### **My final decision**

Because of the reasons given above and in my provisional decision, I'm unable to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 1 August 2023.

Thomas White  
**Ombudsman**