

## **The complaint**

Ms S is unhappy she's been charged a fee for the packaged bank accounts she's held with Lloyds Bank PLC at various points over the years.

## **What happened**

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail here. But, in summary:

- Ms S has held her current account with Lloyds since 1997 and, at various times, this has been a packaged account where she paid a monthly fee which entitled her to certain benefits.
- Ms S says she didn't realise she was paying for a packaged account. The bank should have considered her a vulnerable consumer given her ill health and financial difficulties. She couldn't make use of all of the account benefits and so the bank shouldn't have sold her any of the packaged accounts and some of the upgrades were made without her consent. She thinks the bank should refund all of the account fees that have been charged since 1997.
- Lloyds says Ms S chose to upgrade her account and she would have been given information at the relevant times which would have explained the costs and benefits. And she's made use of some of the benefits over the years. So it refused to refund any of the fees Ms S had been charged. But it paid her £50 compensation in recognition of the delays, and inconvenience caused, when it was handling Ms S's complaint.

One of our investigators looked into Ms S's complaint and didn't think Lloyds mis-sold the accounts. Ms S disagreed and so the complaint has come to me for review

## **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.

I would first say that Ms S has made lengthy and detailed submissions. I've considered everything she's said and provided but I'm not going to respond to every point she's made. I will, instead, focus on what I think are the key issues here. No discourtesy is meant by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is a fair outcome.

While I appreciate Ms S's strength of feeling, I have reached the same outcome as the investigator for much the same reasons. I note, in particular, that:

- Given the length of time that's passed, I don't think it's unreasonable Lloyds hasn't been able to provide complete information or documentation from when the various account changes took place. Where evidence is incomplete and matters are in dispute, my role is

to make a decision based on what I think is most likely to have happened – keeping in mind everything I've seen and have been told by both parties. I also have to take into account that memories fade over time and Ms S has said herself that she can't recall exactly what discussions have taken place since 1997, neither would I expect her to.

- I accept Ms S has given an honest recollection of what happened. But I don't think it's more likely than not Lloyds changed her accounts twice to a packaged one without her knowledge or consent. Ms S held fee-free accounts in between holding packaged accounts, for a number of years. And, despite what she recalls, I think it's unlikely the conversions to packaged accounts happened without some direct intervention from Ms S. I also think it's more likely than not Lloyds would have provided information about the fees and related benefits in order for Ms S to make an informed choice about the changes.
- Ms S has provided details of the debts she held at various points in time and it's clear from her current account statements and Lloyds customer notes in 2002 that she was in financial difficulty at that point. There's also a note from 2006 which refers to Ms S being unwell. And I can see, at times, that there has been insufficient money in Ms S's account to meet some direct debit payments. However, an individual's health and financial position can, and usually does, change over time and I wouldn't expect a bank to assume that the problems Ms S was experiencing in 2001/2 continued unabated until 2022. Her account was downgraded to a free account in March 2002 and stayed that way until May 2004. There are then long periods when her account didn't go overdrawn or only went overdrawn by a small amount for a short period of time. And, shortly before the upgrade in 2009, Ms S received almost £4,500 into her account. Overall, I don't agree with Ms S that it was clear from the activity on her current account or from the customer notes that she was consistently in financial difficulty from 2001 onwards such that Lloyds ought to have concluded a packaged bank account was unaffordable and/or unsuitable.
- Ms S has explained why, at times, she couldn't use some of the account benefits and she's disputed registering and making an insurance claim for a specific mobile phone. But she's not said she didn't register a number of other phones. It's possible Ms S hasn't taken advantage of all the benefits on offer, and for which she was eligible, over the years. But that, in and of itself, doesn't mean the fees should be refunded or that the accounts were unsuitable.

Overall, having considered the circumstances surrounding this complaint, I'm not persuaded I can fairly instruct Lloyds to refund any of the fees Ms S has been charged over the years.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 21 December 2023.

Ruth Hersey  
**Ombudsman**