

## The complaint

Mr A has complained that Barclays Bank UK Plc ("Barclays") migrated his account from a fee-paying Graduate Additions account to a fee-free account with a Tech Pack added, without his consent.

Mr A would like a refund of the Tech Pack fees.

## What happened

Barclays didn't think that it had done anything wrong, although it did agree, as a gesture of goodwill, to refund the Tech Pack fees incurred between January and May 2021. One of our adjudicators assessed the complaint, and they also thought that Barclays had not acted unfairly or unreasonably, and so didn't think that Barclays needed to do anything more than what it had offered to do. As Mr A disagreed, the matter was referred for an ombudsman's decision.

I issued a provisional decision on 17 June 2022 and explained why I was inclined to uphold the complaint. I have included an extract of my provisional decision below and it forms part of this decision.

*"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, and I've used that to help me decide this complaint. And having considered everything, I'm currently minded to uphold this complaint. I will explain why.*

### *Sale of Graduate Additions account*

*Firstly, I can see that the adjudicator assessed whether the Graduate Additions account had been mis-sold. But Mr A originally only complained to Barclays about being unaware of the migration of his account from the Graduate Additions account to a fee-free account with the fee-paying Tech Pack added.*

*So I don't think it would be appropriate for me to address the sale of the Graduate Additions sale before Barclays has an opportunity to investigate this and issue a final response letter. Therefore, if Mr A is still unhappy about this, he should raise his concerns under a separate complaint.*

### *Migration from Graduate Additions to fee-free account with Tech Pack added*

*Barclays withdrew the fee-paying Graduate Additions in January 2017, and migrated all Graduate Additions accounts to a fee-free account, but included a fee-paying Tech Pack, that account holders could opt out of, if they didn't want the Tech Pack added to their account.*

*In this case, Barclays says that it never posted the migration letters to Mr A as it didn't have the correct address for him. But despite this, it allowed the inclusion of the Tech Pack to take*

place on Mr A's account anyway. And Mr A says that he was initially unaware of the changes that had taken place on the account.

Barclays says that it doesn't think it's done anything wrong and essentially places the responsibility on Mr A for not updating his address and says that the documents would've been available to Mr A through online banking.

Having considered what Barclays has said, I don't think it's reasonable to place the responsibility on Mr A for being unaware that his account had been migrated to a fee-free account that also included a fee-paying Tech Pack.

In this case, Barclays was aware that the notification letters were not sent to Mr A. And in the circumstances, I think Barclays should've done more to make Mr A aware of the migration that was due to take place on his account, rather than just allow it to happen without his knowledge. I say this especially as the change required him to opt out - rather than opt in - of the Tech Pack being added to his account.

I also think that Barclays should've done more to make Mr A aware of the migration, because I can see that an outbound call note was added to Barclays' customer notepad in September 2016, shortly before the migration was due to take place. That note said next time the consumer calls in, the member of staff should discuss with Mr A whether he should downgrade from the Graduate Additions account, due to him living abroad and therefore not being eligible for the account. I can see that Barclays did register an inbound call from Mr A in May 2020 and the fact his Graduate Additions account had been migrated to a fee-paying Tech Pack was still not discussed then.

Mr A says that he did contact Barclays before about removing the Tech Pack, but Barclays says it has no evidence that he did get in contact to remove the Pack from his account. But Barclays says that Mr A updated his address (to an overseas address) on 10 October 2018 and then again to a UK address in 31 July 2020. So I think it's likely that Mr A did contact Barclays on these occasions, even if not every occasion was recorded on the customer notepad. I also note that the notepad entry in 2016 was an outbound call - which suggests that Barclays did have Mr A's telephone number, so I think Barclays could've called Mr A to inform him of the contents of the migration letters. Again I can't see anything to suggest that Barclays tried to do this.

As such, based on what I've seen so far, I think Barclays should've (and could've) taken further steps to reach out to Mr A so that it could discuss the migration on his account. And had Barclays done this, I think it's likely that Mr A would've opted out of the Tech Pack from being added to his account, had he known what his options were.

### **Putting matters right**

So based on the above, I currently think that Barclays should refund the Tech Pack fees (that have not already been refunded) that were applied to Mr A's account since it was migrated in January 2017.

I also currently think that Barclays should pay 8% simple interest, less tax, on those fees to compensate Mr A for not having had the benefit of that money in that time."

After issuing my provisional decision, both Barclays and Mr A responded.

In summary, Barclays said that it was willing to accept the findings in my provisional decision.

Mr A wanted to add that he'd moved abroad much earlier than 2018. He says that he'd actually moved abroad in 2013 and that he'd notified Barclays of a change to his overseas address in 2015. Mr A said he was grateful for the provisional decision finding in his favour but did question whether only refunding the fees he was charged is reasonable. Mr A said he equates this to letting a thief go by only returning the stolen goods. He also added that the hours spent pursuing the matter and the feeling of helplessness should also be compensated.

### **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've reconsidered everything, including what Mr A and Barclays have said in their responses to my provisional decision. And I still think that what I proposed in my provisional decision to put matters right is reasonable.

Firstly, I note that Mr A says that he had moved abroad much earlier than 2018. However, as I explained in my provisional decision, Mr A had only complained to Barclays about the Packs that were added to his account, as he says without his consent, in 2017. So anything that may've happened before then is essentially not part of this complaint. Therefore, I don't think it is appropriate for me to comment on whether Barclays should've done anything differently regarding the Graduate Additions account fees that Mr A was charged before his account was migrated in 2017.

Mr A has also questioned whether refunding just the account fees is reasonable. However, I should point out that it is beyond the remit of our service to fine or punish businesses if they get things wrong. Our job, where we think a business has been unfair or unreasonable, is to put the consumer back into the position they would've been in, had the wrongdoing not taken place. It is for this reason that I think that refunding the Pack fees since Mr A's account was migrated is fair and reasonable in the circumstances. And that is because had Barclays taken further steps to try and inform Mr A about the migration, I think it's likely that Mr A would've opted out of having the Tech Pack added to his account and instead only had a standard fee-free current account.

Finally, Mr A has said that he believes he should be further compensated. I'd like to assure Mr A that I did consider this before I issued my provisional decision. However, whilst I appreciate that Mr A may've been frustrated having to go through the complaints process, our service does not routinely award compensation solely because a consumer has had to go through the complaints process.

That said, I should point out that the redress I set out in my provisional decision did already include some compensation, which was in the form of compensatory interest. I thought it reasonable to also award this to reflect the fact that Mr A has not had the benefit of the money, each time the fee for the Pack was deducted from his account. And, having weighed everything up, I think this is reasonable redress in the circumstances, and I don't think that further compensation, in addition to this amount, is warranted in this case. Although I appreciate that Mr A may think otherwise.

### **Putting things right**

Because of the reasons given above, and in my provisional decision, I require Barclays to do the following, in full and final settlement of this complaint.

- refund the Tech Pack fees (that have not already been refunded) that were applied to

- Mr A's account since it was migrated in January 2017; and
- pay Mr A 8% simple interest, less tax, on those fees.

### **My final decision**

Because of the reasons given above and in my provisional decision, I uphold this complaint. I therefore require Barclays Bank Plc to do what I have set out above, to put matters right, in relation to the migration of Mr A's account to a fee-free account that included a fee-paying Tech Pack.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 25 July 2022.

Thomas White  
**Ombudsman**