

The complaint

Mr W has complained that Barclays Bank UK Plc (“Barclays”) changed his fee-paying Additions account to a fee-free current account but with a fee-paying Tech Pack added without his consent, in January 2017.

Mr W says he never made a claim under the policy, nor registered any device and has never received a policy document or registration document.

What happened

One of our adjudicators assessed the complaint, and he didn’t think that Barclays had acted unfairly or unreasonably.

Mr W disagreed with the adjudicator’s assessment, and 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 bank accounts on our website and I’ve used that to help me decide this complaint. And having considered everything, I’m unable to conclude that Barclays has acted unfairly or unreasonably in this matter. I will explain why.

In 2016 Barclays decided to withdraw the Additions packaged account – which came into effect in January 2017. When it did this, it migrated all Additions accounts to a fee-free current account. At the same time, Barclays also added on a Tech Pack to the account, but gave all affected account holders the choice to opt out of the Pack being added, if they no longer needed the cover it provided. I understand Barclays did this to ensure that similar mobile phone insurance cover was provided for those who were relying on the cover provided on their existing Additions account.

Mr W says that he never agreed to the changes that were made to the account or agreed to the Pack being added to his account. However, as the change to the account in January 2017 was a migration, rather than the sale of a new account, I think that it was not unreasonable for Barclays to do this on an ‘opt out’, rather than ‘opt in’ basis. I say this as the Pack was essentially introduced to replace mobile phone insurance benefits that account holders had already agreed to and were already paying for under the Additions account.

Barclays was able to make such changes to the Additions account - but only if it gave sufficient notice to all affected account holders. This was to ensure account holders had sufficient information and time to understand what changes would be made to their account. And to ensure account holders understood what options were available to them. I have therefore considered whether Barclays gave sufficient notice of the migration that took place on Mr W’s account.

Barclays wrote to Mr W on 29 September 2016 to inform him that the Additions package was being removed and explained that the account would be changing in January 2017. Included

with this letter was a summary of all the benefits that will be removed – which included the Legal and Tax Helpline feature. It also explained what benefits will continue (via the Tech Pack) i.e. mobile phone insurance, that also included gadget cover.

Barclays then wrote to Mr W again, this time on 20 January 2017. This letter confirmed that Mr W's account had been changed to a fee-free account that included a fee-paying Tech Pack. The letter explained that Mr W would be charged £9.50 per month for the Pack and provided a summary of the insurance cover that was included with the Tech Pack. The letter invited Mr W to check whether the account and the Pack benefits were still right for him, and if not, to contact Barclays by phone or in branch.

Having looked at copies of the letters that Barclays has provided from its system records, I can see that they were correctly addressed. So overall, I think it's more likely than not that they were sent to Mr W.

I note that Mr W says that he suffers from a number of medical conditions and was recovering from two operations at the time. I'm sorry to hear about this, but given the dates of the two letters, I think Barclays did give Mr W a reasonable amount of time, so that he could decide what to do and contact Barclays, before the changes to the account were due to take place. I can also see that after the Tech Pack was added to his account, further letters were sent to him in November 2017, January 2018, February 2018 and May 2019. These all explained that he had a Tech Pack on his account; that it was optional; how much it cost; what benefits it included; and invited Mr W to contact Barclays if the pack was no longer needed.

Therefore, I'm satisfied that Barclays had done what it was required to do in terms of informing Mr W about the changes that were taking place on his account and explaining what his options were. Mr W says that the Tech Pack was not a suitable substitute for the bundle of benefits provided by the Additions account. However, if Mr W was unhappy with what it provided, he was given the choice to opt out of it if he didn't want it.

So, taking everything into account, I don't think it would be appropriate to ask Barclays to refund the fees Mr W paid for the Tech Pack on the account, as I can't see that Barclays has done anything wrong when the Pack was added to Mr W's account.

Finally, I note that Mr W said that some Additions account holders were able to stay on the Additions account after January 2017 and has referred to Barclays' website mentioning 'Additions Active'. It might help to explain that the Additions Active account was a different packaged account to the Additions account. But either way, as far as I'm aware, the Additions packaged account was completely removed from Barclays' range of accounts in January 2017.

My final decision

Because of the reasons given above, I've not seen Barclays Bank UK Plc do anything that was unfair or unreasonable when it migrated Mr W's Additions account to a fee-free account with a Tech Pack added. I therefore don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 January 2023.

Thomas White
Ombudsman