

## **The complaint**

Mrs S has complained that Barclays Bank UK PLC ("Barclays") mis-sold her a number of packaged bank accounts and packs. These are as follows;

- February 2010 opened in branch as a fee-paying Current Account Plus
- July 2010 downgraded in branch to a fee-free Barclays Bank account with Overdraft
- June 2011 upgraded in branch to a fee-paying Current Account Plus
- December 2011 upgraded online to a fee-paying Additions Active account
- March 2012 changed in branch to a fee-paying Current Account Plus
- May 2016 migrated to a Barclays Bank account with Tech Pack

Mrs S says that she originally complained about the first Current Account Plus in July 2010 as she was unaware that fee-free accounts were optional. She says that she was not made aware the other accounts were optional and she never wanted any of them.

## **What happened**

Our adjudicators have looked at into this matter and they thought that the Current Account Plus taken out in February 2010 was mis-sold and that Barclays should refunded the account fees with 8% simple interest. Barclays agreed to this.

Our adjudicator did not think that the other accounts were mis-sold. Mrs S did not agree with this and asked for a final 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 how we handle complaints about packaged bank accounts on our website. And I've used this approach to help me decide Mrs S's complaint.

I've carefully thought about everything I've seen on this complaint.

### **Current Account Plus taken out in February 2010**

Both parties agree that this account was mis-sold and as Barclays has agreed to a refund of account fees with 8% simple interest per year, which is in line with our general approach, I am not going to look into this sale further.

### **Current Account Plus taken out in June 2011 and March 2021**

It is not clear why Mrs S agreed to these accounts, but I have been provided with a signed consent form for both of these sales. So, I'm satisfied that Mrs S did agree to them.

Mrs S had previously held the same account in the past and had even complained about it. So, I think at this point she would have been fully aware by June 2011 that this account was optional, that she could downgrade back to a fee-free account whenever she wanted and was aware of what the main benefits and features of this account were.

I have not been provided with a reason as to why Mrs S thought she had to change to these accounts (again). So overall, I can only conclude, albeit on balance, that there was some benefit of these accounts that interested Mrs S.

From what I do know, it is possible that Mrs S wanted the overdraft benefits that these accounts came with, as my understanding is that Mrs S was using her overdraft at the time of the sales and this account came with £300 interest free overdraft. Also, it came with mobile phone insurance which was a benefit Mrs S registered for when she held the Current Account Plus the first time in February 2010. So I think it is more likely than not that Mrs S agreed to these accounts due to the benefits that they came with.

As these were non advised sales, Barclays did not have to ensure that these accounts were suitable for Mrs S given her circumstances at the time of the sale. Barclays did though have to give Mrs S enough information about the account to allow her to decide this for herself.

I'm open to the possibility Mrs S wasn't told everything about all the benefits that came with these accounts. But I cannot see anything specific that she was not told that I think would've altered her decision to take out the accounts again. Therefore, I don't think clearer information would've stopped her taking the accounts out in the first place.

#### **Additions Active account taken out in December 2011**

My understanding is that Mrs S took out this account online herself. So I think that she would have been aware that it was optional and that she chose to take it out for reasons she possibly no longer recalls. Though looking at her bank statements, it seems as if she went on Holiday shortly after the account change and as this account's main difference from the Current Account Plus that she held prior to this was Travel insurance, it seems likely that this is why she upgraded her account online herself.

Again, as this sale was carried out on a non-advised basis, Barclays did not have to ensure that these accounts were suitable for Mrs S given her circumstances at the time of the sale. It did though have to give Mrs S enough information about the account to allow Mrs S to decide this for herself.

I think the main benefits would have been highlighted during the application process. Had they not been, I doubt Mrs S would've upgraded her account herself online to an even more expensive packaged account. And, from an archived copy of Barclays' website around that time, I can see that other accounts (including ones without a monthly fee) were listed and the main benefits for the respective accounts were highlighted as well.

I'm open to the possibility Mrs S wasn't told everything about all the benefits that came with this account. But I cannot see anything specific that she was not told that I think would've altered her decision to take out the account. Therefore, I don't think clearer information would've stopped her taking out this account in the first place.

#### **Tech Pack added to the account in May 2016**

I should start by saying that Barclays didn't sell Mrs S a further packaged account in May 2016. It chose to withdraw the Current Account Plus at this stage. And Barclays was entitled to do this because choosing what products it wants to offer is a legitimate exercise of its commercial judgement. So I can't say that Barclays was wrong to have withdrawn the Current Account Plus account or that it had to continue providing it to Mrs S.

When Barclays withdrew the Current Account Plus, it moved all of its customers that had this account on to a fee-free account with Tech Pack added. This was because the benefits on the Tech Pack most closely matched the ones that were on the Current Account Plus. As this wasn't a further sale of a packaged account, Barclays didn't need to get Mrs S's agreement before making this change. What Barclays did have to do was to notify Mrs S about the upcoming changes to her account and clearly set out what options were available to her.

Barclays says that in February 2016, it wrote to Mrs S to say that the Current Account Plus was being removed from its range of packaged accounts and that Mrs S would be moved to a Barclays Bank Account with a Tech pack added for £9.50 per month. Barclays says it sent a follow up letter to Mrs S in May 2016 to confirm that his account had changed. Barclays have sent us an audit trail to show that these letters were sent, and I've not seen anything to suggest that Barclays had the incorrect address registered for Mrs S. So I don't think Barclays did anything wrong in relation to this.

### **Putting things right**

Given the above I require Barclays to:

- Refund the Account fees for the February 2010 Current Account Plus sale; and
- Add interest on those fees at an annual rate of 8% simple, this should be calculated from the date of each fee to the date of settlement. Less any applicable tax.

### **My final decision**

For the reasons I've explained above, I'm upholding this complaint in part, and require Barclays Bank UK PLC to do what I have outlined above, to put matters right for Mrs S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 11 December 2023.

Charlie Newton  
**Ombudsman**