

complaint

Mrs R has complained that National Westminster Bank Plc (NatWest) mis-sold a packaged bank account to her in 2004. She pays a monthly fee for the account which offers several benefits in return.

background

One of our adjudicators has looked into Mrs R's complaint already. The adjudicator didn't think that NatWest mis-sold the packaged account and didn't recommend it pay any compensation.

Mrs R didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision. She said that:

- She was advised she had to upgrade her account in order to obtain a loan and that she could only have an overdraft with this account
- She has not used any of the other benefits that come with the account and either already had them or could get them cheaper elsewhere

my findings

I've considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. When there is a dispute about what has happened and limited evidence from the time, as there is here, then I have to make my decision based on what I think most likely happened given the evidence I do have and the wider circumstances at the time.

We've explained how we handle complaints about packaged bank accounts on our website. I've used this approach to decide what to do about Mrs R's complaint. I agree with our adjudicator that NatWest didn't mis-sell the packaged account to Mrs R and doesn't owe her any compensation. I'll explain why.

Mrs R took the packaged bank account by switching from a free account which she had held for a number of years. She says that she upgraded as she was told she had to in order to get a loan and an overdraft. But NatWest has told us that she had previously had loans and an overdraft prior to upgrading on her free account. So I think it's likely she knew she could have a loan and an overdraft without upgrading her account. I think it's more likely that NatWest told Mrs R that she would get a lower rate on a loan if she took the packaged account. I can see she took a new loan on the day she upgraded. And I think this is likely the reason she chose to upgrade. Overall, I think that NatWest gave Mrs R a fair choice to take the packaged account or keep the free one and her choice was to upgrade.

I haven't seen anything that makes me think that NatWest gave Mrs R a personally tailored recommendation that the account was right for her. So it didn't have to check if the account was suitable for her. So it was up to her to decide whether the account was right for her and whether to maintain any insurances she had which were duplicated by the account benefits. But it did have to give her enough information so that she could decide if the account was right for her.

The packaged account came with a number of benefits. Mrs R has said that she didn't need or use any of the other benefits. But these accounts came as a package, and I don't think Mrs R needed to be attracted to each and every benefit to think the account was worth having. I think it's likely that NatWest made Mrs R aware of the key benefits of the accounts as they make the account more attractive. And I think she was attracted to some of them and chose it because of these benefits, in particular the preferential rates on loans, which she went on to benefit from twice more. She also benefitted from a lower rate of interest on her overdraft which I think would've also been attractive to her. She may not have used or needed many of the other benefits but this doesn't mean NatWest mis-sold the account.

It's possible that NatWest didn't tell Mrs R everything it should have about the packaged account. But I haven't seen anything to make me think that Mrs R wouldn't still have taken the account even if NatWest had told her everything.

I want to reassure Mrs R that I have looked at all the information I have about her complaint. Having done so I don't think NatWest mis-sold the account and I don't think it owes her any money.

my final decision

For the reasons I've explained, I don't uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs R to accept or reject my decision before 2 November 2015.

Rob Deadman
ombudsman