

complaint

Mr and Mrs F complain that National Westminster Bank Plc (NatWest) mis-sold them an Advantage Gold packaged account in 2010. They say that the account benefits weren't fully explained to them and that it hasn't been good value. They say that if they'd had better information they wouldn't have opened the Advantage Gold account.

background

In 2010 Mr and Mrs F opened the Advantage Gold account and in 2014 they downgraded it to a free account. NatWest didn't uphold their complaint about the sale of the Advantage Gold account so they brought it to this Service. Two of our adjudicators have looked into the matter but they recommended that the complaint shouldn't be upheld. Mr and Mrs F don't agree with their assessments. So they asked – as they are perfectly entitled to – for an ombudsman to consider their case afresh. This is the last stage of our process.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having listened to the call recordings of Mr F's conversations with our adjudicators, I realise that Mr and Mrs F will be disappointed by my decision but I don't uphold their complaint. I will explain my reasons below.

I understand that on the same day Mr and Mrs F opened their joint Advantage Gold account, Mrs F also opened a sole free account. And from what they tell us, it seems they chose to take the joint packaged Advantage Gold account because they found some of the benefits attractive. So it seems they were given a fair choice by NatWest about whether or not to take the Advantage Gold account. But Mr F's main complaint is that they weren't given enough information about the benefits which, they understood, came with it.

Mr and Mrs F say the Advantage Gold account was recommended to them by NatWest. It says that it wouldn't have recommended the account – rather, NatWest says it would've provided them with information about the account so they could decide for themselves whether it was what they wanted. In situations where the evidence is unclear or there are conflicts I make my decision based on the balance of probabilities. In other words I look at what evidence we do have and the surrounding circumstances to help me decide what is more likely to have happened. I have seen documents from the time of the sale. These include the application form and an illustrator form which outlines the benefits and potential savings to Mr and Mrs F. Both of these are signed by Mr and Mrs F.

From what I've seen it doesn't sound as though NatWest recommended the account to Mr and Mrs F so it didn't have to ensure that the benefits were suitable for them. But it still had to provide clear enough information about the account so that they could decide for themselves whether they wanted it.

Mr F is particularly unhappy about the level of the breakdown cover which came with the account. And he says that if he'd known more about it they wouldn't have upgraded. I understand that when Mr and Mrs F came to use the breakdown cover in 2012 they found they weren't covered as they expected. Mr F recalls that he complained and that they were paid £20 or £30. At first he thought it was NatWest which had made the payment but it says it has no record of this. And it seems it may have been the breakdown cover provider which made the payment. Either way it would seem that at the point Mr and Mrs F took the Advantage Gold account NatWest may not have made clear to them that there were some limitations on the breakdown cover.

But Mr and Mrs F didn't downgrade their account at that time – they kept it for around two more years. Mr F accepts that they didn't downgrade but explains that they had a lot going on in their life.

So I've also looked at what else might have been attractive about the Advantage Gold account to Mr and Mrs F. Mr F thinks that when they were at the meeting at the branch, the NatWest advisor noticed that he and his wife had mobile phones. He accepts that after they opened the account they registered them for cover. I also understand that Mr and Mrs F registered some cards for protection and shortly after they took the account they applied for an overdraft facility. They increased this over the years. And I understand that they have used their overdraft from time to time and benefitted from a preferential interest rate when they went overdrawn. More recently they also benefitted from the fact that for several months they didn't have to pay an overdraft usage fee – something they would've done with a free account. The account also offered £15,000 of accidental death benefit which, in their circumstances, may also have been of interest to Mr and Mrs F.

All of this makes me think that there were a number of things about the Advantage Gold account which Mr and Mrs F may have found attractive.

Mr F says that they had always had comprehensive breakdown cover through their car insurance policy. He hasn't been able to show us any documents from before 2010. But I accept that this was important to him and that he may well have had better cover from his insurer than he had under the Advantage Gold account. And I accept that NatWest may not have made clear to Mr and Mrs F the limitations on the breakdown cover which came with the Advantage Gold account. But there were other benefits which Mr and Mrs F were able to use. And they didn't downgrade after they realised the car breakdown cover may not be as good as they thought.

Mr F tells us that they didn't receive any material about the account after they opened it. But having looked at the documents which he and Mrs F signed at the time together with their registration for benefits I think the main features were discussed and they were aware of them at that time. And whilst I accept that NatWest may not have told Mr and Mrs F all of the details behind the benefits which came with the Advantage Gold account I don't think Mr and Mrs F would've made a different decision about opening the Advantage Gold account even if they had been given better information.

During his conversation with one of our adjudicators, Mr F also explained that he was unhappy that overall, the Advantage Gold account hadn't saved him and Mrs F money. I accept that they may not have made claims on any of the other insurances which came with the account. But I'm not aware of anything about their circumstances which would've meant they couldn't have relied on them. And it's likely that they valued the reassurance of having them in place. I think it's likely they were aware of the cost of the account when they opened it and it seems to have been acceptable to them at the time. With hindsight Mr and Mrs F may feel they haven't had value for money from the Advantage Gold account. But just because they might not have used the benefits extensively, it doesn't mean that it was mis-sold to them.

Whilst I acknowledge that Mr and Mrs F will be disappointed by my decision, I'm not persuaded to uphold their complaint.

my final decision

For the reasons outlined above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs F to accept or reject my decision before 18 December 2015.

EJ Forbes
ombudsman