complaint

Mr B has complained that The Royal Bank of Scotland Plc (RBS) mis-sold him a Royalties Gold packaged bank account in 2003. He paid a monthly fee for the account which offered several benefits in return.

background

One of our adjudicators looked into Mr B's complaint and didn't think that RBS had mis-sold the packaged account to him. Mr B didn't accept this and asked for an ombudsman to look at the complaint and decide the outcome.

my findings

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 decide what to do about Mr B's complaint.

Having done so, I haven't seen enough to say that the packaged account was mis-sold to him. I know this will come as a disappointment to Mr B, but I hope my explanation makes clear why I've reached this outcome.

To start, I thought about whether Mr B was given a fair choice when his account was upgraded in 2003. Mr B has said that he wasn't given the option of a free account at the time. But when the account became a Royalties Gold it was upgraded from a free account that Mr B had held with RBS since 1996. So I think he would have known that free accounts were available.

Mr B has said in the questionnaire he filled out, that at the time of the sale it was intimated that he'd have to take the packaged account if he wanted to maintain his existing overdraft facility. But from the bank's records it doesn't look like Mr B had an overdraft at the time of the upgrade. He's later said that he took the account at the time because he wanted an overdraft. The bank's records show that he first applied for an overdraft a couple of months after taking the upgrade. This application wasn't successful and it doesn't look like he made another attempt to take out an overdraft until July 2004, a year after the upgrade. If Mr B had only taken the account out for the overdraft I would have expected Mr B to make earlier attempts to take an overdraft.

It is difficult for me to say what happened when there is limited information about the time of the sale. But I don't think I have enough here to say that the bank gave Mr B incorrect information about the overdraft and that this led to the upgrade. Overall I think it's most likely that Mr B was given a fair choice when he took the packaged account.

I can't say for sure what led to the upgrade. And because I don't know Mr B's circumstances in detail around the time of the upgrade I don't want to make assumptions about what benefits he may have wanted or needed. But Mr B hasn't said that he *couldn't* have used the benefits if he'd wanted to. The bank has said that Mr B has made some savings due to waived overdraft usage fees (that he wouldn't have got with a free account). It's also said Mr B called up a couple of times to enquire about the travel insurance. This does suggest to me that Mr B could have, or did, rely on this feature of the account.

I then thought about whether RBS advised Mr B to take the account because if it had it would have had a responsibility to consider whether the account was suitable for him. But from what Mr B and RBS have said I don't think RBS gave him a tailored recommendation based on his personal circumstances. And it didn't have to; banks don't have to provide advice every time they sell something. That said, RBS did have a responsibility to provide Mr B with clear enough information for him to decide if he wanted the account.

I don't know what Mr B was told when he took the account. But I do think its likely RBS told him about the main benefits of the account because this would have made it more attractive. It's possible that detailed information about the account wasn't given at the time. But from what I've seen I don't think this would have made a difference to his decision to take the account.

Mr B has said that some of the features of the account duplicated cover he already had, specifically the mobile phone insurance and the breakdown cover. But it doesn't look like mobile phone insurance was part of the account when the upgrade took place and so wouldn't have impacted on any choice to take the account out. The breakdown cover wasn't an automatic benefit of having the packaged account at the time. And so I'm also not persuaded that the account was mis-sold just because Mr B didn't need this benefit.

Lastly, I know that Mr B has had a complaint about a packaged account with another provider, which he received a refund on. I understand why this could have made Mr B think he should get a refund on this complaint too. But I've based my decision on the evidence and arguments raised about the sale of *this* particular packaged account. And whilst I appreciate that with hindsight Mr B feels he hasn't had value for money with the packaged account. For the reasons I've explained, I don't think the packaged account was mis-sold to him.

my final decision

For the reasons I've explained, I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 8 February 2016.

Lauren Long
ombudsman