

complaint

Miss C and Mr M have complained that National Westminster Bank Plc (NatWest) mis-sold a packaged bank account to them. Miss C held a fee free account in 1997 which was upgraded to an Advantage Gold account in 2000. Mr M was added to the account in 2007. They pay a monthly fee for the account which offers several benefits in return.

background

Two of our adjudicators have looked into Miss C and Mr M's complaint already. The adjudicators didn't think that NatWest mis-sold the packaged account and didn't recommend it pay any compensation.

Miss C and Mr M didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision. They said, in summary, that:

- Miss C was never advised that she would be charged a monthly fee for the account
- They were not aware of the benefits that the account came with
- It was not explained that they had received preferential interest rates on the loans they have had

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, as there is here, I have to make my decision based on what I think is most likely 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 Miss C and Mr M's complaint. I agree with our adjudicators that NatWest didn't mis-sell the packaged account and doesn't owe them any compensation. I'll explain why below.

Miss C says she took the account as she was told this was the only way which she could increase her overdraft. But Miss C already had an overdraft with her free account. And at the time she upgraded, she didn't apply for an increased overdraft. She did apply for a personal loan at this time which she received a lower rate on by having the Advantage Gold account. I think this is likely to be the reason she took the account. It's possible that Miss C's recollection of events may have faded due to the time that has passed. Considering all of this, I think that NatWest gave Miss C a fair choice to take the packaged account or keep the free one and she chose to take the packaged account as she was attracted to some of the benefits, and in particular, the discounted loan rate.

I don't think NatWest gave Miss C a personalised recommendation to take the packaged account. So it didn't have to check if the account was suitable for her. But it did have to give her enough information so that she could decide if it was right for her.

Miss C and Mr M have said that they were not told about the monthly fee for the account. I accept this is possible. However, NatWest's notes suggest a discussion took place at the time Miss C upgraded her account and applied for a loan. And I think it's likely that at this time NatWest would've told Miss C about the benefits as it's these benefits that make the account more attractive. NatWest has told us that Miss C made contact to discuss the benefits more recently and in my experience banks regularly keep consumers updated about the benefits as well as any changes. So I think it's likely that NatWest did enough to make Miss C and Mr M aware of the benefits at the time Miss C took the account, and on an on-going basis.

I don't think that Miss C would've expected to receive all of these benefits for no additional cost. The fees have appeared on her statements for over 15 years and had Miss C not been told about them when she agreed to take the account, I think it's likely she would've queried them sooner. So I don't think I have enough to say that NatWest failed to make her aware that there was a fee payable for the account.

Miss C and Mr M have said that they were not aware that they were receiving preferential rates on the loans they have had. And I accept that Miss C and Mr M may not have been told about this. But given that they were receiving a discounted rate, and therefore making a saving, I don't think this would've made the account less attractive to Miss C and Mr M.

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

I want to reassure Miss C and Mr M that I have looked at all the information I have about their complaint. Having done so I don't think NatWest mis-sold the account and I don't think it owes them any money.

my final decision

For the reasons I've explained, I don't uphold Miss C and Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss C and Mr M to accept or reject my decision before 2 November 2015.

Rob Deadman
ombudsman