

complaint

Miss F has complained that National Westminster Bank Plc (NatWest) mis-sold an Advantage Gold packaged bank account to her. She paid a monthly fee for the account which offers several benefits in return.

background

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

Miss F didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision. Miss F's key complaint points are that:

- She felt bullied into taking the account but took it to get a better rate on a credit card which was declined
- She couldn't downgrade her account whilst in her overdraft and was in financial difficulty
- She already had some of the insurances that the account offered so didn't need them
- Her overdraft was automatically increased

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 lack of evidence about exactly what has happened, such 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 F's complaint. I agree with our adjudicator that NatWest didn't mis-sell the Advantage Gold account to Miss F and doesn't owe her any compensation. I'll explain why below.

Miss F has said she felt bullied in to taking the Advantage Gold account and then couldn't downgrade her account as she was in her overdraft. I've thought about this but I don't think I have enough to say that she didn't have a real choice of whether to take the account or not. She had held a fee free account with NatWest for a number of years so I think she knew she could've continued with this if she had wanted to. Overall, I think that NatWest gave Miss F a fair choice to take the packaged account or keep the free one.

I haven't seen anything to make me think that there was a detailed discussion around Miss F's circumstances or needs. So I don't think NatWest recommended the Advantage Gold account to Miss F so it didn't have to check if the account was suitable for her. This meant it was up to Miss F to decide if the account was right for her. But, NatWest did have to give her enough information so she could make this decision.

The Advantage Gold account came with a number of benefits. NatWest's contact notes from the time of the sale suggest that a conversation took place when Miss F upgraded her account. And I think it's likely that at this time, NatWest would've made her aware of the key benefits of the account as it is these benefits that make the account seem more attractive.

Miss F has told us that she took her account in 1996 so that she could receive a better rate on her credit card but when she applied for a credit card it was declined. Neither Miss F or NatWest are able to provide any evidence of a credit card application. However Miss F didn't have the Advantage Gold account in 1996. She didn't upgrade her account until 2000. It's possible that her recollection has faded due to the time that has passed. When she did upgrade to the Advantage Gold account, she was using her overdraft regularly and, by having the Advantage Gold account, benefitted from a preferential overdraft rate. So I think this is likely what attracted Miss F to the account and why she decided to take it.

Having looked at NatWest's contact notes, I can't see any request from Miss F to downgrade her account prior to 2004 when it was downgraded. And I don't think I have enough to say that she was told she was unable to because she had an overdraft. I say this because she had held an overdraft with her fee free account, so I think she would've known she didn't have to have the Advantage Gold account to have an overdraft. It's more likely she was told she wouldn't get the lower interest rate on her overdraft if she downgraded the account.

As explained above, I think Miss F most likely took the Advantage Gold account for the preferential overdraft rate. Miss F has said that she already had travel insurance, mobile phone insurance and breakdown cover. The Advantage Gold account didn't come with mobile phone insurance or breakdown cover at the time, so I don't think this would've affected her decision. Whilst it's possible she may have already had existing travel insurance, as I don't think NatWest recommended the account to her, it was up to her to decide which insurances she wished to continue with that may have been duplicated by those offered with the Advantage Gold account.

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

I've thought about what Miss F has said about her overdraft being automatically increased as a result of having this account. But her overdraft was increased a number of times before she upgraded. And the contact notes provided by NatWest suggest that Miss F requested at least some of the increases. If there were increases that she didn't request and didn't want, I would've expected her to ask NatWest to reduce the limit. But she didn't, and she used the overdraft. So overall, I think it's likely she wanted and requested each overdraft increase.

I have considered what Miss F has said about being in financial hardship at the time. I accept that she may have had an overdraft with NatWest and other debt elsewhere. But I don't think there was anything more that NatWest should've done in this situation and I don't think having the Advantage Gold account contributed to this.

I want to reassure Miss F 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 to her and I don't think it owes her any money.

my final decision

For the reasons I've explained, I don't uphold Miss F's complaint.

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

Rob Deadman
ombudsman