

complaint

Miss S has complained that National Westminster Bank Plc ("NatWest") mis-sold an Advantage Gold packaged bank account to her in 2000. Miss S' Advantage Gold account was switched to a Select Platinum one in 2015 as NatWest discontinued the Advantage Gold account at that point.

background

Two of our adjudicators have looked into Miss S' complaint already and they didn't think that NatWest mis-sold the packaged account to her. Miss S didn't accept this and asked for an ombudsman to look at the complaint and make a final decision.

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 Miss S' complaint.

Having looked at all the information provided, I don't think that NatWest mis-sold the packaged account to Miss S. And so it doesn't owe her any compensation. I'd like to explain why.

I've started by thinking about whether Miss S was given a choice in taking the Advantage Gold account. At this point, it may help for me to explain that I have to make my decision based on what I think is most likely to have happened. And in working out what I think is most likely to have happened, I have to think about everything I've been told together with else everything I've been provided with and see how this fits with what I do know. In other words, what I have to do, in this case, is decide what I think is most likely to have happened having weighed up what Miss S and NatWest have been able to provide me with.

There isn't much in the way of documentation that remains from when the account was sold. But as the sale took place more than fifteen years ago and NatWest isn't required to keep hold of documentation indefinitely, I don't find this surprising. So I haven't drawn any negative conclusions about the sale from this. And I've instead focused on the things that I do know.

What I do know is that Miss S upgraded to the Advantage Gold account from a fee free one that she'd had for a period of time. So I think that Miss S would've been aware NatWest did fee free accounts and that she didn't have to have an Advantage Gold one if she didn't want to. Miss S has said that she went to enquire about the possibility of a mortgage and she was told having the Advantage Gold account would help when she was being considered for it. I don't know what Miss S was told at the time. But the first thing for me to say is that Advantage Gold customers did receive preferential interest rates on mortgages. And it looks to be the case that Miss S did receive a preferential rate on the mortgage she went on to take out later. As Miss S has said she was interested in taking a mortgage with NatWest, I'm not surprised that the Advantage Gold account was discussed. So I accept that it's possible Miss S was misled into believing taking the Advantage Gold account would help her get a mortgage. But it might help for me to explain that in order to uphold Miss S' complaint on this basis, I'd not only need be persuaded that her version of events is possible but that it's most

likely this is what happened. And there are a number of reasons why I haven't seen enough here to be able to say what Miss S has told me is what most likely happened.

The first reason is because Miss S didn't take a mortgage until six years after having taken the Advantage Gold account. I've seen the reason why Miss S didn't apply for her mortgage until she did so. But in these circumstances I would've expected her to have taken the account out much closer to when she took out the mortgage, if her only reason for taking it out was to improve her chances of getting the mortgage.

Equally, I would've expected her to have switched from the packaged account back to a fee free one, once she obtained the mortgage if she took the Advantage Gold account *solely* to improve her chances of getting a mortgage. And Miss S kept the account for the best part of ten years afterwards. So I don't really have enough here to be able say Miss S only took the account to improve her chances of getting a mortgage as her actions aren't consistent with this.

So overall and taking everything I've seen together, I think it's most likely that NatWest gave Miss S a clear choice and she chose to upgrade because she, at the time, was interested in the overall package of benefits included on the Advantage Gold account.

From what I've seen, I don't think that NatWest recommended the packaged account to Miss S. So it didn't have to check if the account was right for her. And it was up to Miss S to decide this taking into account what the package included. But NatWest did have to give her clear enough information to do this. I do think that it's likely NatWest's representative did talk about the benefits and at least provided an overview of what the account included. After all they were looking to make the account appear as attractive as possible so Miss S would agree to pay the monthly fee when she most likely knew she didn't have to. Although given just how long ago the sale took place, I can fully understand why Miss S may no longer recall this.

At the time Miss S upgraded, the account included a preferential interest rate on loans and overdrafts. Miss S used an overdraft. So she paid less interest when she used it as a result of having the packaged account. Miss S also went on to take out a personal loan with NatWest. And she received a preferential rate on that too, which meant that her monthly repayments were lower as a result. Miss S also received a preferential loan on the mortgage she went on to take too. So overall I think that she did get some benefit from the account.

The account also included travel insurance. Miss S has told us that she travelled. And having looked at her circumstances – she was under the age limit for the policy, was a United Kingdom resident and appears to have been registered with a doctor – I've seen no obvious reason why she couldn't have claimed on the policy if she needed to. I know Miss S has said that she went on to buy this cover elsewhere as and when she needed it. But as I think it's likely that NatWest told her travel insurance was included on the Advantage Gold account, I can't hold it responsible if Miss S chose to buy cover elsewhere instead of relying on what she already had.

A number of other benefits were added to the package over the years Miss S had the account – such as breakdown cover and mobile phone insurance. I don't know if Miss S wanted or needed all of these benefits – although her eventual registration of a handset for the mobile phone insurance suggests she at least found this cover useful. But I think it's likely that NatWest would've written to Miss S as and when these benefits were added. And

at this point it was up to her to decide whether it was still worth keeping the account even though it now included these additional benefits and the monthly fee for it had increased.

Overall I think that Miss S did use some of the benefits she and she was eligible for and could've used some of the others too. So while Miss S may not have been told absolutely everything she needed to know, I think that Miss S was told enough for her to be able to decide if the account was right for her. And I haven't seen enough to be able to say that NatWest did anything significantly wrong here.

Miss S may now, with the benefit of hindsight, think that she shouldn't have upgraded or kept the account for as long as she did. And given what she might've read or heard about packaged accounts in general, I can to some extent understand why this might now lead her to believe that her account was mis-sold. But I think it's likely that Miss S chose to upgrade after having been provided with an explanation on what the account included. So although Miss S may now question her precise reasons for upgrading, as she may think the account hasn't proved to be value for money, this doesn't mean that it was mis-sold to her.

Miss S has also suggested that NatWest unfairly changed her account to a Select Platinum one. I should start by saying that NatWest didn't sell Miss S a further packaged account in 2015. What happened was it chose to withdraw the Advantage Gold account at this stage. And it was entitled to do this. So I can't say that NatWest did anything wrong when it withdrew the Advantage Gold account or that it had to continue providing it to Miss S. When NatWest withdrew the Advantage Gold account it moved all of its customers that had this account on to the Select Platinum one. This was because the benefits on the Select Platinum account most closely matched the ones that were on the Advantage Gold one.

At this point NatWest didn't have to assess Miss S' suitability for the new account or actively obtain her agreement to the change. All it needed to do was notify her of the change before it happened. I think that it's likely NatWest sent a letter to Miss S which explained that her account was being changed to a Select Platinum one as the Advantage Gold account was being discontinued. So I don't think NatWest did something wrong here either.

I've also thought about what Miss S has said about NatWest failing to process a request to switch to a fee free account. But I've seen that its final response explained how she could go about doing this. And I don't think that the requirement to go into a branch, to make a call or to go online to switch was onerous, as NatWest has a range of accounts and it wouldn't necessarily have known which one Miss S wished to switch to.

Finally I've seen what Miss S has said about NatWest closing her account. I understand that Miss S' account was closed in October 2016. I don't know why that was. But equally I can't see that Miss S has complained to NatWest about this. And as a business needs to be given the opportunity to put things right before we get involved in a complaint, Miss S should contact NatWest to complain about this if she remains unhappy.

I want to reassure Miss S that I've looked at all the information I've been provided with. And I've thought about everything she's said. But having done so, I don't think that NatWest mis-sold the packaged account to her. So I don't think it owes Miss S any money.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 16 January 2017.

Jeshen Narayanan
ombudsman