

complaint

Miss N has complained that National Westminster Bank Plc ("NatWest") mis-sold an Advantage Gold packaged bank account to her in 2000.

background

One of our adjudicators has looked into Miss N's complaint already and she didn't think that NatWest mis-sold the packaged account to her. Miss N 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 N's complaint.

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

I've started by thinking about whether Miss N 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 N and NatWest have been able to provide me with.

It looks like Miss N upgraded to the Advantage Gold account from a fee free one that she'd had for a significant number of years. When I say 'fee free' I mean this in the context of there being no fees for standard everyday banking facilities – such as paying cheques, making debit card transactions and paying direct debits. But Miss N would've had to pay fees for things like missed payments and exceeding her overdraft limit. Indeed, I've seen that Miss N has said that she successfully complained about some of these fees previously. Overall I haven't seen anything persuasive to suggest that Miss N was told her circumstances had changed such that she no longer qualified for, or couldn't have kept the fee free account she already had.

Miss N has said she was told she needed to take the account to keep her overdraft. I don't know what Miss N was told at the time. But it looks to be the case that Miss N already had an overdraft which she managed to increase on more than one occasion prior to taking the packaged account. And she hasn't said anything about what it was she was told about why she now needed a packaged account to have an overdraft when she didn't need one before. So overall I've not seen enough here to be able to say that Miss N agreed to the account *solely* because she was misled into believing she had to in order to keep her overdraft.

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

From what I've seen, I don't think that NatWest recommended the packaged account to Miss N. So it didn't have to check if the account was right for her. And it was up to Miss N 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 N would agree to pay the monthly fee when she most likely knew she didn't have to.

At the time Miss N upgraded, the account included a preferential interest rate on loans and overdrafts. As previously explained, Miss N already had an overdraft with quite a substantial agreed limit. So she paid less interest when she used it as a result of having the packaged account too. And I think the preferential interest rate is the most likely reason Miss N agreed to upgrade when she did.

The Advantage Gold account also included travel insurance. Miss N 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've seen what Miss N has said about already having this cover elsewhere. I don't know if she did. But, in any event, I think that Miss N would've been told that the account came with travel insurance as it was one of the main benefits that it included. So I can't hold NatWest responsible if she chose to buy cover elsewhere instead of relying on what the account included. And I can't say that the account was mis-sold because Miss N may have decided to buy cover elsewhere.

I've also seen what Miss N's said about not needing breakdown cover or mobile phone insurance. But these benefits weren't included on the account at the time she took it out. They were added to the package a number of years after the sale. I think it's likely that NatWest would've written to Miss N 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 breakdown cover and mobile phone insurance that she may not have necessarily wanted or needed, or was already paying for elsewhere. Miss N has said that these letters were most likely sent to incorrect addresses. But it seems to me that NatWest issued the letters to the address details that Miss N provided at the time. That's all it could do and Miss N's apparent registration for the card protection benefit in 2010 does appear to support the fact that Miss N received some information from NatWest. So I can't say that NatWest did anything wrong here.

I don't know if Miss N wanted or needed the other benefits included on the Advantage Gold account at the time. But the benefits on packaged accounts come as overall packages and they aren't tailored to individuals. And it's rare for an account holder to find all the benefits useful. I think that Miss N is likely to have chosen the account because she, at the time, thought she'd find enough of the benefits useful. So I haven't seen enough to be able to say that NatWest did anything significantly wrong here.

Miss N may now, with the benefit of hindsight, think that she shouldn't have upgraded. And given what she might've read or heard about packaged accounts in general, I can understand why this might now lead her to believe that her account was mis-sold. But I think it's likely that Miss N chose to upgrade after having been provided with an explanation on what the account included. So although Miss N 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.

I want to reassure Miss N 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 N any money.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 1 August 2016.

Jeshen Narayanan
ombudsman