

## **complaint**

Mr and Mrs O have complained that National Westminster Bank Plc (NatWest) mis-sold an Advantage Gold packaged bank account to them in 2002. They paid a monthly fee for the account, which offered a number of benefits in return.

## **background**

One of our adjudicators has looked into Mr and Mrs O's complaint already. The adjudicator didn't think that NatWest mis-sold the packaged account. Mr and Mrs O didn't accept this assessment 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 is fair and reasonable in the circumstances of this complaint.

We've explained how we handle complaints about packaged bank accounts on our website. I've used this approach to help me decide what to do about Mr and Mrs O's complaint. I agree with our adjudicator that NatWest did not mis-sell the packaged account to Mr and Mrs O.

When Mr and Mrs O disagreed with our adjudicator and asked for an ombudsman to look into the complaint, they said that they already had a mortgage and didn't need the benefits offered by the Advantage Gold account. They also told us that NatWest never offered them an alternative account and that they weren't aware holding the Advantage Gold account meant they could get preferential interest rates on borrowing.

I've thought about these points carefully but I still don't think that Mr and Mrs O's complaint should be upheld.

- Free bank accounts are widely available in the United Kingdom and I can see that Mr and Mrs O held a separate fee free account with NatWest at the same time as holding the Advantage Gold packaged account. So I think Mr and Mrs O knew they didn't have to pay to have a bank account, and that NatWest offered accounts that didn't charge a monthly fee. Mr and Mrs O have said that they felt pressured to keep the Advantage Gold account, as otherwise they would struggle to get an overdraft. But as far as I can see from NatWest's records, Mr and Mrs O only had an overdraft on their fee free account – not on the Advantage Gold. So I think they knew they could have an overdraft separately to any packaged account.
- Mr and Mrs O have said they were advised to take the Advantage Gold account. I think NatWest probably did explain the main benefits of the account and how it might be useful. But I haven't seen anything to make me think there was a detailed conversation about Mr and Mrs O's circumstances or that NatWest provided a tailored recommendation. So I don't think that NatWest did advise Mr and Mrs O to take the Advantage Gold account, which means it didn't have to check if the account was suitable for them.

- NatWest did have to give Mr and Mrs O enough clear information about the packaged account for them to decide if they wanted it – and I think NatWest did this. I think that Mr and Mrs O could have found some of the benefits of the packaged account useful and chose it because for those benefits. In particular, they said initially that they were sold the Advantage Gold account to help manage finances with a new home – and I can see that they took out a mortgage in 2004. Because Mr and Mrs O held an Advantage Gold account, their mortgage came with a preferential rate of interest. Mr and Mrs O have said they already held a mortgage and didn't know at the time of sale the account would offer them preferential rates on borrowing. But it looks as though they might have been thinking about moving or remortgaging in 2002, so I think this could have been something they were interested in. And as preferential interest rates were a key benefit of the Advantage Gold account, I think it's most likely NatWest would have mentioned them, as it would make the account more attractive. So I think this probably was one of the reasons Mr and Mrs O decided to upgrade, though I appreciate they may not now remember this in detail.

During the time they've held the Advantage Gold account, Mr and Mrs O have taken out two loans with preferential interest rates – one in 2007 and one in 2008. They also claimed on the travel insurance for medical expenses in 2008. Breakdown cover and mobile phone insurance weren't benefits of the account when Mr and Mrs O first opened it, but when these benefits were introduced they made use of them. Mr and Mrs O claimed on the breakdown cover in 2008 and registered two mobile phones with the insurer in 2010. This suggests that Mr and Mrs O were aware of some of the benefits attached to the account and have continued to find them useful. Mr and Mrs O may not have used all the available benefits, but this doesn't mean NatWest mis-sold the account.

- Mr and Mrs O have said they weren't told to keep NatWest updated of any changes in their car or mobile phones, or about when they went on holiday. For the travel insurance, NatWest has confirmed that cover was automatic and Mr and Mrs O didn't need to declare their holidays. And as breakdown cover and mobile phone insurance weren't included with the account in 2002, I don't think NatWest had to tell them anything about registration. Mr and Mrs O's later use of these benefits suggest they were given the necessary information when the insurance policies were introduced. It is possible that NatWest didn't tell Mr and Mrs O everything it should have about the packaged account. But I haven't seen anything to make me think that Mr and Mrs O wouldn't still have taken the account even if NatWest had told them everything.

I want to reassure Mr and Mrs O that I have looked at all the information I have about their complaint. Having done so I don't think NatWest mis-sold the packaged account to them.

**my final decision**

For the reasons I've explained, I don't uphold Mr and Mrs O's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs O to accept or reject my decision before 4 January 2016.

Cara Goodbody  
**ombudsman**