

complaint

Mr and Mrs L have complained that National Westminster Bank Plc (NatWest) mis-sold a packaged bank account to them in 2010. They pay a monthly fee for the account which offers several benefits in return.

background

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

Mr and Mrs L didn't accept this recommendation 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 decide what to do about Mr and Mrs L's complaint. I agree with our adjudicator that NatWest didn't mis-sell the packaged account to Mr and Mrs L and doesn't owe them any compensation. I'll explain why below.

When there is limited information from the time of the sale and a dispute about what has happened, as there is here, I have to make my decision based on what I think is most likely to have happened given the evidence I do have and the wider circumstances at the time.

Mr and Mrs L have told us they went in to open a basic account but, following a credit check being done, they were told that the Advantage Gold account was the best account for them as it would improve their credit rating and that they would then have access to overdrafts and loans. It's possible they were told this, and current accounts are generally credit scored. But I think it's more likely that they were told they could have the Advantage Gold account, were told about the benefits that were offered by the account, and chose it because of them. I say this because they didn't apply for any loans or overdrafts when they opened the account, or any time soon after. But they did register a mobile phone for the insurance at the time of opening the account. And have also made use of the breakdown cover over the years. Considering all of this, I think NatWest gave Mr and Mrs L a fair choice to take the packaged account and they chose it because they were attracted to some of its benefits.

I haven't seen enough to make me think that NatWest discussed Mr and Mrs L's circumstances in detail. Or that it gave them a personally tailored recommendation regarding the packaged account. So it didn't have to check if the account was suitable for them. But it did have to give them enough information so that they could decide if they wanted to take the account.

The packaged account came with a number of benefits. I think it's likely that NatWest would've made Mr and Mrs L aware of the key benefits of the account as it's these benefits that make the account more attractive. I don't know exactly what benefits they were attracted to. But as previously mentioned, they registered a mobile phone for the insurance offered when they opened the account. And they have used the breakdown cover. So it's possible these were two of the benefits they were attracted to.

Mr and Mrs L have said that there were many benefits that they would never have used. But I don't think that they needed to be attracted to each and every benefit to think it worthwhile having. Overall, I think Mr and Mrs L were made aware of the key benefits and the cost and they agreed to take the account because it offered something they were attracted to at a price they were willing to pay. They may not have used all the benefits since but this doesn't mean NatWest mis-sold the account. Sometimes people are attracted to benefits they don't end up using. And I think this is what happened here.

I accept that it's possible that NatWest didn't tell Mr and Mrs L everything it should have about the packaged account. But I haven't seen anything to make me think that there was anything that NatWest didn't tell them that would have put them off taking the account. Or that there was any reason they couldn't have used the benefits. So I think that they still would have taken the account even if NatWest had told them everything.

Mr and Mrs L have told us that they have tried to downgrade a number of times but have been talked out of it. NatWest doesn't have any record of this. And I don't have enough to say that they weren't able to downgrade had they wanted to. So I think it's most likely they decided to keep the account as they still thought some of the benefits may be useful.

I want to reassure Mr and Mrs L 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 Mr and Mrs L's complaint.

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

Rob Deadman
ombudsman