

complaint

Mr and Mrs S have complained that National Westminster Bank Plc (NatWest) mis-sold an Advantage Gold packaged bank account in 2008. They pay a monthly fee for the account which offers several benefits in return.

background

Mrs S opened a sole fee free account with NatWest in 1999. She upgraded to an Advantage Gold in 2008. Mr S was added to the account in 2009. The account was migrated to a Select Platinum account in 2015.

One of our adjudicators has looked into Mr and Mrs S's complaint already. The adjudicator didn't think that NatWest mis-sold the Advantage Gold account and didn't recommend that NatWest should pay Mr and Mrs S any compensation. Mr and Mrs S didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision. They said:

- they were pressured into taking out and keeping the Advantage Gold account
- Mrs S only registered for mobile phone insurance to use the mobile banking app
- they had no need for the account benefits
- the date the monthly fee was debited changed causing the account to go overdrawn

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 S's complaint. I don't doubt Mr and Mrs S have provided their honest recollections but I'm mindful that events were several years ago and that memories can fade over so long a time. In cases like this – where the evidence is incomplete, I have to make my decision based on what I think is *most likely* to have happened given the evidence that is available and the wider circumstances at the time.

I agree with our adjudicator that NatWest didn't mis-sell the Advantage Gold account and so it doesn't owe Mr and Mrs S any compensation. I'll explain why below.

Mr and Mrs S say NatWest pressured Mrs S into taking the account and kept talking them out of downgrading when they asked about it. But Mrs S had held a fee free account with NatWest for several years before the upgrade and I've not seen anything to suggest that Mrs S's existing account was no longer available. So I don't think NatWest would've told Mrs S that she had to upgrade. I think it's most likely Mrs S was told about the preferential account terms if she upgraded – particularly, as NatWest has told us that Mrs S applied for a new overdraft facility on the day the account was upgraded. And as a result she benefitted from a lower rate of interest than if she'd kept her fee free account. Similarly, when Mr and Mrs S enquired about downgrading, I think they would've been reminded about the benefits they would lose. So overall, I think NatWest most likely gave Mrs S a fair choice to take the Advantage Gold account or keep the free one. And I don't think that it refused to downgrade the account when Mr and Mrs S enquired about it. I think Mrs S was attracted to the benefits the account offered and choose to upgrade and Mr and Mrs S subsequently kept the account because of those benefits.

I've seen no persuasive evidence to suggest that NatWest assessed Mrs S's circumstances in any detail or gave her a personalised recommendation at the time she took the account. So NatWest didn't have to check whether the features of the Advantage Gold account were suitable for her.

NatWest had to give Mrs S enough clear information about the Advantage Gold account for her to decide if she wanted it. Given what Mrs S has said about the sale of the account, I think it's likely that NatWest made her aware of the key features of the account. And like our adjudicator, I think that Mrs S was attracted to some of the benefits of the account and chose it because of these benefits. As mentioned above, Mrs S applied for a new overdraft facility when she upgraded and she later went on to apply for a loan. Both loans and overdrafts attracted a preferential rate as a result of holding the Advantage Gold account. So I think it's most likely Mrs S decided to upgrade her account because the overdraft and subsequent loans would be cheaper with an Advantage Gold account. I note that Mrs S also registered for payment card protection, which suggests to me that Mrs S did have an awareness of some the benefits of the account.

It's possible that NatWest didn't tell Mrs S everything it should've about the Advantage Gold account at the point of sale. But I haven't seen anything to make me think that Mrs S wouldn't still have taken the account in 2008 even if NatWest had told her everything. Mr and Mrs S say that some of the insurance benefits that came with the Advantage Gold account duplicated cover Mrs S already had in place. But, as mentioned above, I think NatWest told Mrs S about the key features of the account. So I think Mrs S would've had enough information to know where the account duplicated any cover she had. And it was for her to decide whether or not she wanted to cancel her existing arrangements.

I also note that Mrs S did go on register for the mobile phone insurance. Mrs S says she only did this to benefit from NatWest's mobile banking app. But from what I know about NatWest's mobile banking app, a consumer is not required to register for mobile phone insurance in order to use the app.

The Advantage Gold account was sold as a package for a set price so it's unlikely that a consumer would find all the benefits of use. Mr and Mrs S may not have used nor needed all the benefits of the account but this doesn't mean the account was mis-sold.

Mr and Mrs S have also mentioned that NatWest changed the date the monthly account fee was taken out of their account causing the account to go overdrawn. NatWest accepts the date did change from time to time over the years. But it says Mr and Mrs S would've been notified about any change on their bank statements. I've thought carefully about what Mr and Mrs S have said. And I've looked at the transaction history on their account. Taking everything into account, while I can see there were some changes over the years to the date the fee was debited, I don't think the monthly Advantage Gold fee was the sole reason Mr and Mrs S's account went overdrawn. So I don't think changing the date the fee was due warrants a refund of charges.

I want to reassure Mr and Mrs S that I've looked at all the information I have about their complaint. And I've thought about everything they have said. But having done so I don't think NatWest mis-sold the Advantage Gold account. So 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 S's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs S to accept or reject my decision before 5 November 2015.

Sandra Greene
ombudsman