

complaint

Mrs B complains that National Westminster Bank Plc mis-sold her a packaged bank account in May 2009. She complains that she didn't gain any benefit from taking the account.

background

Mrs B held a basic fee-free account with NatWest. In May 2009 she upgraded it to a packaged "Advantage Gold" account. Mrs B says that she was told that upgrading her account would improve her credit rating and that was the only reason she took the account. She closed the account in December 2013.

Mrs B's complaint has been assessed by one of our adjudicators. He recommended that the complaint should not be upheld as he thought that Mrs B was aware that she could have kept a free account instead, and was likely to have been attracted by the benefits included with the packaged account. Mrs B disagrees and has asked, as she is perfectly entitled to, that the complaint should be decided by an ombudsman.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. I have also taken into account the law, any relevant regulatory rules and good industry practice at the time the account was sold.

Both NatWest and Mrs B have provided us with information and evidence about this complaint. At times the information that I have been given doesn't match up and conflicts. In situations such as these, I need to use the balance of probability in reaching my decision – or, in other words, what I think is most likely to have happened.

Mrs B held a basic fee-free account with NatWest. She says she was told that this account, that didn't offer her any credit facilities, wouldn't help improve her credit rating. That doesn't seem to be an unreasonable thing for her to have been told. The packaged account, that did offer credit facilities such as an overdraft, would generate information on her credit file. But, I am aware that NatWest may also have offered other, free, accounts that might have similarly generated credit file entries.

So, I'm not sure that getting a better credit record was the main reason that Mrs B decided to take this account, and pay a monthly fee for it. Instead I think that Mrs B was most probably attracted by some of the other benefits that were included with the account.

Mrs B has told us that before she took out the account she held separate car breakdown cover. It appears that she cancelled this cover after taking the packaged account. So it seems that she had a need for cover of this type.

I have considered what Mrs B has told us about having two separate requests for breakdown assistance declined. But, NatWest doesn't have any records of these requests having been made. And, from what Mrs B has told us, it doesn't seem that the situations that led to her requests would have been excluded by the terms of the cover. So I don't know why these requests were turned down, but it doesn't seem to be because of anything that NatWest has done wrong. Mrs B might want to contact the car breakdown cover provider to clarify exactly what happened and why she didn't receive breakdown assistance.

Mrs B has also told us that she made a claim on the mobile phone insurance, but it was rejected because she hadn't registered her phone with the insurer. Once again NatWest doesn't appear to have any records of a declined claim that was made by Mrs B. And, I can see that Mrs B did register a mobile phone in 2011, approximately half way through the time she held the account.

So it doesn't seem to me that Mrs B was unaware of the need to register her phone but I accept it is possible NatWest might not have told her she needed to register every subsequent phone she owned. But, I don't think NatWest needed to. I think that it is reasonable to expect a consumer to understand the need to register each phone once they had been made aware of the registration process.

I can see that Mrs B has said that her financial situation meant she couldn't afford family holidays and so had no need of the included travel insurance. But packaged bank accounts are rarely tailored to the individual so it's unlikely that every customer will find every benefit useful. It was for Mr B to decide whether the benefits, as a whole package, were attractive to her.

When she upgraded Mrs B should have been given some information by NatWest about the account. But, NatWest hasn't been able to tell us exactly what Mrs B was told, and so it's possible that it didn't do enough in this regard. But I don't think it did anything wrong regarding the failed claims on the car breakdown cover or the mobile phone insurance, and I haven't seen any persuasive evidence that anything else Mrs B should have been told before she made her decision would have caused her to choose to not upgrade her account.

It follows that I do not uphold Mrs B's complaint.

my final decision

For the reasons given above, I do not uphold the complaint or make any award against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs B either to accept or reject my decision before 7 April 2015.

Paul Reilly
ombudsman