

complaint

Mr and Mrs M have complained that Clydesdale Bank Plc mis-sold a Signature packaged bank account to them in 2010. They paid a monthly fee for the account which offered several benefits in return.

Mr and Mrs M have used a claims management company (CMC) to bring their complaint to us.

background

One of our adjudicators has looked into Mr and Mrs M's complaint already. She didn't think that Clydesdale had mis-sold the Signature account to Mr and Mrs M and didn't recommend that it should refund the account fees. Mr and Mrs M 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 have explained how we handle complaints about packaged bank accounts on our website. I have used this approach to help me decide what to do about Mr and Mrs M's complaint.

Having thought carefully about all the points that have been made and the rest of the evidence, I don't think Clydesdale mis-sold the Signature account to Mr and Mrs M. Let me explain why.

Mr and Mrs M say they were told they weren't eligible for a fee free account. But I can see that Mr and Mrs M took the Signature account by switching from a fee free account that they already held. And I haven't seen anything to suggest they were led to believe that their fee free account was no longer available. So, I think it's most likely that Clydesdale gave Mr and Mrs M a fair choice to take the Signature account.

Mr and Mrs M have also said they were told that holding a Signature account would mean they could get other financial products. I don't know what information Mr and Mrs M were given. But I think it's most likely that Clydesdale – when bringing the Signature account to Mr and Mrs M's attention, told them the account had a range of features which included banking and insurance benefits which weren't available on fee free accounts. But while I think Clydesdale brought the Signature account to Mr and Mrs M's attention and there was a discussion about the benefits, I haven't seen any persuasive evidence that it gave Mr and Mrs M a personally tailored recommendation to take the Signature account. So Clydesdale didn't need to check if the account was suitable for them. It was for them to decide if the account was right for them – taking into account any existing insurance policies they may have had which the account benefits duplicated. But Clydesdale did need to give Mr and Mrs M enough information so that they could decide if they wanted the Signature account.

Mr and Mrs M say that Clydesdale didn't fully explain the account to them – particularly, that they had to register for the benefits. But Clydesdale has shown that Mr and Mrs M contacted the travel insurer to declare some medical conditions. And I can see that they downgraded the account when Mr M turned 75 – when they were no longer eligible for the travel insurance. This all suggests to me that Clydesdale did make Mr and Mrs M aware of the need to register for travel insurance and the terms of the cover.

It's possible Clydesdale didn't tell Mr and Mrs M everything it should've about the Signature account. But having checked the account terms, I can't see that there was a requirement to register for car breakdown cover. And Mr and Mrs M have told us they didn't have a mobile phone. So even if Clydesdale didn't tell them that they had to register a mobile phone handset, I can't see that they have lost out as a result. Overall, I haven't seen anything to make me think that Mr and Mrs M wouldn't still have taken the Signature account even if Clydesdale had told them everything.

I've thought about what Mr and Mrs M have said about the description of the monthly fee on their statement not making it clear what they were paying for. But the form Mr and Mrs M signed when they agreed to the account confirmed there was a monthly fee for the account. And if Mr and Mrs M weren't aware of what the fee on their statements related to, I would've expected them to have queried this much sooner.

Overall, I think Mr and Mrs M knew they didn't have to pay a fee for an account if they didn't want to. And I think they chose to take out the Signature account because they were attracted to at least one of the benefits offered at that time of the sale – such as the travel insurance mentioned above. Mr and Mrs M may not have used all the benefits and may now think the account wasn't good value for money. But this doesn't mean the account was mis-sold.

I want to reassure Mr and Mrs M that I've looked at all the information I have about their complaint. Having done so I don't think Clydesdale mis-sold the account and I don't think it needs to refund the account fees.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs M to accept or reject my decision by 11 April 2016.

Sandra Greene
ombudsman