

complaint

Mr and Mrs G have complained that Bank of Scotland plc (trading as Halifax) mis-sold an Ultimate Reward Current Account (URCA) to them in 2009. They paid a monthly fee for the account which offered several benefits in return.

background

One of our adjudicators looked into Mr and Mrs G's complaint. They didn't think that Halifax mis-sold the packaged account to them. Mr and Mrs G didn't accept this and asked for an ombudsman to look at their complaint and make a final decision.

my findings

I've considered all the available evidence and arguments to decide what's 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 G's complaint.

Having thought carefully about all the points that have been made and the rest of the evidence, I don't think Halifax mis-sold the packaged bank account to Mr and Mrs G. So it doesn't need to compensate them. Let me explain why.

I don't doubt that Mr and Mrs G have given us their honest recollection about what they say they were told when they took out the URCA. But I'm mindful that memories can fade over time and that around six years have passed since they opened the account. Where there is a dispute between the parties about what happened, I make my decision based on what I think is more likely to have happened.

Around the same time Mr and Mrs G opened the URCA they also applied for a mortgage with Halifax. I've looked carefully at all the information I've been given and I'm not persuaded that Halifax told Mr and Mrs G that they had to have an URCA to get a mortgage.

Instead, I think it's more likely that Halifax told them that they needed to have a current account with it and gave Mr and Mrs G a choice between a fee free current account and the fee paying URCA. I also think that they were probably told that if they opened an URCA they would benefit from cashback on their mortgage, something which wasn't available with a fee free current account. So, I think it's likely that Mr and Mrs G were given a fair choice about taking the URCA and they took it because they were attracted to the cash back benefit and some of the other benefits it offered.

I've not seen any persuasive evidence to suggest that Halifax recommended the packaged account to Mr and Mrs G. This means it didn't have to check if the account was suitable for them. It was up to Mr and Mrs G to decide if the packaged bank account was right for them, taking into account their situation at the time.

Halifax did have to give Mr and Mrs G enough clear information about the packaged account for them to decide if they wanted it. And that's what I have considered here. Mr and Mrs G have said that some features of the account duplicated the cover they already had. But I think it's most likely there was a discussion between one of Halifax representatives and Mr

and Mrs G about the main features and benefits of the account because those would have made it more attractive to them. And Halifax has said that Mr and Mrs G went on to use car breakdown on the account, suggesting they were aware they'd had it. So I think they would've known enough about the account to know what benefits they already had. It was then up to Mr and Mrs G to compare the cover.

The URCA came with a number of other benefits. For example, the first £300 of an overdraft facility was interest free. Halifax has said that Mr and Mrs G received a discount off their home insurance premium and they went on to later use car breakdown cover. Based on everything I've seen, I think the account may have appealed to them for the cash back but for these too.

I accept Mr and Mrs G may not have found all the benefits useful. But packaged bank accounts are rarely tailored to individual consumers and just because Mr and Mrs G might not have used all the benefits the account offered doesn't mean that it was mis-sold.

It's possible that Halifax didn't tell Mr and Mrs G everything it should have about the packaged account. But I haven't seen anything to convince me that Mr and Mrs G would not still have taken the account even if Halifax had told them everything.

I know Mr and Mrs G feel very strongly about their complaint and I'd like to reassure them that I've looked at everything they've said. But overall, I haven't seen enough to suggest that Halifax did anything wrong when it sold the account. So it doesn't need to compensate Mr and Mrs G.

my final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 9 November 2015.

Sarita Taylor
ombudsman