

## **complaint**

Mrs C complains that Bank of Scotland plc (trading as Halifax) pressured her into upgrading her account to a packaged bank account. She says she was led to believe her overdraft would be removed if she didn't upgrade, she didn't need or use any of the benefits as she has not claimed on them and she (and her husband) were told they would get cheaper household insurance.

## **background**

Mrs C had held a fee free account with Halifax since 2003. Her account was upgraded to an Ultimate Reward Current Account (URCA) in September 2010.

Our adjudicator didn't recommend the complaint be upheld. She was satisfied Mrs C had been attracted to the benefits of the account: she had registered for a number of benefits and had saved in overdraft charges and premiums for household insurance.

Mrs C asked for the matter to be referred to an ombudsman. In summary she says:

- She was pressured into the account as she was told her overdraft would be removed if she didn't upgrade.
- She didn't need and hasn't claimed on the benefits.
- She couldn't use all of the benefits because of her disability and she wasn't made aware of this.

## **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 and any relevant regulatory rules and good industry practice.

I've decided not to uphold this complaint.

Mrs C held a free account prior to upgrading to the URCA. I think Mrs C knew she could've continued with her free account had she wanted to. I've seen no persuasive evidence that she was pressured into the account or told her overdraft would be removed if she didn't upgrade. Mrs C had used her overdraft regularly prior to the upgrade. I think it more likely that she was told a benefit of the URCA was £300 of her overdraft usage would be interest and fee free if she upgraded and she was attracted to this benefit.

Mrs C has said she didn't want and hasn't used the benefits of the account, as she hasn't had cause to claim.

But I can see from the bank's records that Mrs C registered her mobile phone for the insurance. She also registered her passport, driving licence and cards for protection. These registrations took place very soon after the account was upgraded. The bank also told us that Mrs C did take out a household insurance policy and benefitted from a 15% discount on the premiums because of being an URCA account holder.

So although she hasn't had to claim, she has still used a number of the benefits the account came with. And the bank was correct when it told her (and her husband) she could get cheaper household cover if she upgraded. I'm satisfied these were benefits that Mrs C was

attracted to, and that during discussions about the account she was given information about the benefits and how to use them.

I accept there may have been some benefits with the account that Mrs C didn't want or need, such as the travel or breakdown cover. But packaged bank accounts are rarely tailored to an individual and so there may be some benefits that a customer won't use. It was for Mrs C to decide whether the benefits offered were sufficiently attractive for the cost of the account even if she wasn't going to use them all. I'm satisfied she was attracted to the benefits she registered for, the discount she has had and that some of her overdraft facility would be interest and fee free.

As set out above, I think Mrs C was given some of the information she needed when upgrading, particularly about the benefits and those she needed to register for. But I do accept she might not have been told all she should. Having considered her circumstances I don't think she would have been put off upgrading her account had better information been given.

### **my final decision**

For the reasons given above, my final decision is that I do not uphold this complaint against Bank of Scotland plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs C to accept or reject my decision before 5 June 2015.

Claire Hopkins  
**ombudsman**