

complaint

Mr M has complained that Ulster Bank Ltd mis-sold a U First packaged bank account to him in 2001, as well as a U First Gold account in 2007. He paid a monthly fee for the accounts, which offered a number of benefits in return.

background

One of our adjudicators has looked into Mr M's complaint already. The adjudicator didn't think that Ulster Bank mis-sold the packaged account. Mr M didn't accept this assessment 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'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 M's complaint. I agree with our adjudicator that Ulster Bank did not mis-sell the packaged account to Mr M.

When Mr M disagreed with our adjudicator and asked for an ombudsman to look into the complaint, he didn't say why. So I have reviewed his complaint again in full, looking at all the information I have.

Having done so, I still don't think that Mr M's complaint should be upheld.

- Mr M has said that he was told he could only have an overdraft if he took a packaged bank account. But Ulster Bank's records show that Mr M took the U First packaged bank account by switching from a free account – and he had held an overdraft with that free account. So I think he knew he didn't have to have a packaged bank account in order to have an overdraft. I think it's more likely Mr M chose to take both accounts, knowing he didn't have to, because there was something about them he found attractive.
- Mr M has said that he was advised to take the packaged accounts. I think Ulster Bank probably did tell him about the main benefits of each account and how they might be useful. But I haven't seen anything to suggest there was a detailed conversation about his circumstances, or that Ulster Bank provided tailored recommendations. So I don't think Ulster Bank did advise Mr M to take the accounts, which means it didn't have to check if they were suitable for him. It was for Mr M to decide whether he wanted to take the accounts, bearing in mind his circumstances and any other insurance cover he had.
- Ulster Bank had to give Mr M enough clear information about the packaged accounts for him to decide if he wanted them. I think that Mr M was attracted to some of the benefits of the packaged accounts and chose them because of these benefits. I've particularly noticed that he was making use of his overdraft before upgrading to the U First account. The U First account offered an interest free overdraft of up to £250, as well as no transaction fees (which were charged on fee-free accounts, if the account wasn't kept in credit). As Mr M generally stayed below this limit before and after his upgrade, I think it's likely this was an attraction to him.

The U First Gold account offered a higher interest free overdraft limit of £1,000. As Mr M increased his overdraft limit at the same time as upgrading, I think it's likely this was of interest to him. The account also offered some insurance benefits, including mobile phone and travel insurance. Ulster Bank has said that Mr M called to discuss the travel insurance in 2009 and 2011. Mr M has said he didn't do this and that he wasn't even aware the insurance policies – which he didn't need – came with the account. I don't know exactly what happened at the time of sale, or whether Mr M did make the calls Ulster Bank have told us about. But while I am satisfied that Mr M has given us his honest recollections, I have borne in mind that memories can fade over time. And as Ulster Bank was trying to sell the U First Gold account to Mr M, I think it's most likely that it would have told him something about the insurance benefits, to make the account appear more attractive. As Ulster Bank didn't give advice to Mr M, it was then for him to decide whether he wished to rely on the cover or maintain his own separate policies. Mr M may not have used all the benefits, but this doesn't mean Ulster Bank mis-sold the accounts.

- It's possible that Ulster Bank didn't tell Mr M everything it should have about the packaged account. But I haven't seen anything to make me think that Mr M wouldn't still have taken the account even if Ulster Bank had told him everything.

I want to reassure Mr M that I have looked at all the information I have about his complaint. Having done so I don't think Ulster Bank mis-sold the packaged account to him.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr M to accept or reject my decision before 9 November 2015.

Cara Goodbody
ombudsman