

complaint

Mrs G has complained that she was mis-sold a packaged bank account by Bank of Scotland plc ("BOS").

background

Mrs G opened a fee-free account with BOS in November 2010. She upgraded this to an Ultimate Reward Current Account ("URCA") in February 2011.

Mrs G says through her representatives that she needed an overdraft and was asked to complete an application. She says that she didn't realise the account was being upgraded and that this was done without her consent. Mrs G says that the fee was never mentioned and that she didn't know this charge related to benefits. She also says that she didn't need the benefits of the account.

Our adjudicator did not uphold this complaint. Mrs G's representatives disagree with this so the case has come to me to 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.

I've decided not to uphold Mrs G's complaint for the reasons set out below.

Mrs G upgraded from a free account to the URCA so I think she was aware that free accounts were available. She has said through her representatives that when she applied for an overdraft the account was upgraded without her consent and she didn't realise she was being upgraded to the URCA. Mrs G said that she wasn't told about the fee and when she asked about it she was told this was for her overdraft. She says that she didn't know the charge related to benefits and that she wasn't even aware she had any sort of benefits attached to the account.

I can see that Mrs G registered a mobile phone for the mobile phone insurance two days after upgrading her account. She also registered cards for the card protection cover at the same time. Mrs G also declared some medical conditions to the travel insurance provider two days after upgrading. So it seems to me that Mrs G was aware that she had upgraded her account and was made aware of the benefits provided by the URCA and how to make use of them when she upgraded. I think it's unlikely that she thought she wasn't going to be charged for these. So I think it's most likely that Mrs G was given a fair choice about whether to upgrade her account and chose to do so – and agreed to pay a monthly fee – because she was attracted to some of the benefits.

Having considered the evidence, I don't think BOS assessed Mrs G's circumstances in any detail or gave her a personalised recommendation to take the URCA. So it seems to me that the sale was conducted on a non-advised basis. This means BOS didn't have to assess the suitability of the account for Mrs G. But it still had to provide clear enough information about the account so that she could decide for herself whether she wanted it.

As set out above, I think it's likely that Mrs G was made aware of the main benefits of the account when she took it out and that some of them were of interest to her at the time.

Although she has said through her representatives that she never owned a mobile phone, she registered a mobile phone two days after upgrading, so it seems that her recollection may be confused, which is understandable due to the passage of time. Mrs G also registered for card protection and contacted the travel insurance provider at the same time. She also benefitted from the £300 fee-free overdraft which came with the account, frequently saving more money on overdraft fees during a monthly period than she paid in fees for the URCA.

Packaged bank accounts are rarely tailored to the individual so it's unlikely that every customer will find every benefit useful. It was for Mrs G to decide whether the benefits, as a package, were attractive to her for the cost. The fact that she may not have used all of the benefits doesn't mean the account was mis-sold. And I've seen nothing to suggest she couldn't potentially have benefited from the account as a whole.

Mrs G has said that she had medical conditions at the point of sale. But as I've said, I can see that she contacted BOS to declare these two days after the sale. So – although Mrs G has said through her representatives that she never travelled abroad – it seems to me that she was attracted to the travel insurance benefit and would have been aware of any potential limitations shortly after she upgraded. I think she would have been aware that she could have gone back to a free account if the URCA didn't meet her needs but she kept the URCA. So I don't think Mrs G would have acted any differently had she been given any more information about the travel insurance.

I accept it's possible that BOS didn't give Mrs G all of the information about the account that it should have. But I don't think there is anything about the account which she wasn't told which would have put her off taking it if she'd known about it. And I don't think Mrs G has lost out because of anything BOS might have done wrong.

my final decision

For the reasons given above, I do not uphold the complaint or make any award against Bank of Scotland plc.

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

Rachel Ellis
ombudsman