

complaint

Mr B has complained that The Royal Bank of Scotland Plc (RBS) mis-sold him a Royalties Gold packaged bank account in 2004. He paid a monthly fee for the account which came with several benefits.

Mr B has used a claims management company (CMC) to bring his complaint to us.

background

Mr B opened a Royalties Gold account with the bank in 2001. He kept that account until August 2004, before upgrading again in September 2004.

As RBS has already refunded the fees relating to the first Royalties Gold account, my decision shall only deal with the sale of the second Royalties Gold in 2004.

We initially looked into Mr B's complaint and didn't think RBS had mis-sold the packaged account to him. Mr B didn't accept this and asked for an ombudsman to look at the complaint and decide the outcome.

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've explained how we handle complaints about packaged bank accounts on our website and I've used this approach to help me decide what to do about Mr B's complaint.

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

Mr B says he was put under pressure to take the Royalties Gold account in 2004. He says his loan repayments had shot up after he downgraded accounts in the August 2004. Mr B goes on to explain RBS led him to believe the only way he could bring his payments back down, was to take the Royalties Gold account. To find out what's most likely to have happened, I have to think about what Mr B has said, in the overall context of everything I've been told and what documentation remains.

On this point, I haven't seen enough to say that RBS misled Mr B or put pressure on him. At the time, Mr B did have a loan with the bank but his statements show his repayments hadn't changed before or after the upgrade. Mr B had also held a free account before, so I think he would have understood he didn't have to take a fee paying account. Overall, I'm satisfied RBS gave Mr B a fair choice to take the account and he chose the Royalties Gold account because he was attracted to one or more of the benefits.

I've not seen any persuasive evidence to suggest that RBS recommended the packaged account to Mr B. This means it didn't have to check if the account was suitable for him. However, RBS did have to provide Mr B with enough information so he could decide if he wanted the account. And that's what I've considered here.

Mr B has said he didn't need mobile phone insurance as he already had it and any registration of his phones was at the instigation of the bank. However mobile phone

insurance wasn't a benefit at the time of this upgrade so I don't think this would have been discussed or been a reason for him to be attracted to the account at the point of this sale. Also, when the cover was *added* the cost of the account didn't change. So even if Mr B was unaware this benefit had been added he doesn't seem to have lost out as a result.

The Royalties Gold account offered preferential rates on overdrafts and loans. Mr B has said that he was looking to borrow from the bank in the future and his statements also show he used his overdraft. So I think it's most likely that Mr B thought it was worthwhile paying a fee to have access to these and other benefits.

It's possible that RBS didn't tell Mr B everything it should have about the packaged account. But I haven't seen anything to make me think that Mr B would not still have taken the account even if RBS had told him everything.

I want to reassure Mr B that I have considered everything he's said and provided. But I haven't seen enough to persuade me that RBS did something wrong when it sold him the account. So RBS doesn't need to pay him any additional compensation.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 25 January 2016.

Sarita Taylor
ombudsman