

## **complaint**

Miss B has complained about packaged accounts sold to her by Santander UK Plc ("Santander" or "the bank").

## **background**

Santander told us that Miss B held a free basic account since 2004. The account usage had lapsed and Miss B opened a "Premier Direct" account in early 2010. This account didn't charge a fee as long as £500 a month was credited. I understand it offered interest on bank balances, at a higher level for the first 12 months. It also came with travel insurance.

In early 2011 Miss B upgraded from the Premier Direct account to the "Reward" packaged account. This cost £10 a month, offered reduced overdraft fees and interest on credit balances. It also offered worldwide family travel insurance and car breakdown cover.

Miss B is unhappy with these accounts because she says she wasn't really given a choice in upgrading to them and wasn't given all the information she should have been.

Our adjudicator didn't recommend that Miss B's complaint be upheld. Miss B disagreed with this and asked for her complaint to come to an ombudsman for review and 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've explained how we handle complaints about packaged bank accounts on our website. And I've used this approach in deciding what to do about Miss B's complaint.

I appreciate this will come as a disappointment to Miss B but, having carefully considered everything, I am not upholding her complaint and will explain why.

Miss B says that when she opened the Premier Direct account she had closed all her active accounts with Santander. She said she would have been "*more than happy*" to have an account that she didn't need to pay a monthly fee for. As Miss B always credited her account with more than £500 a month she never paid a fee for the Premier Direct account. So even if I were to find that Santander hadn't treated her fairly in selling her this account, I don't think this would mean that Miss B had lost out.

I understand that Miss B upgraded to the Reward account a year after taking out the Premier Direct. This account came with a monthly fee. I think Miss B knew at this point that she could have an account with Santander without paying a fee, as she had been in this position for a year with the bank. I have thought about the fact that the account she'd been on was not a standard fee-free account - she would have been charged an "underfunding" fee of £5 for each month she didn't deposit £500 into the account. But she never paid this fee as she was in receipt of regular monthly salary exceeding this. And I've seen nothing to suggest this situation was going to change. So I think Miss B was aware she didn't have to begin to pay a fee to bank with Santander. But she chose to change her account instead because there was something about the Reward account that was of interest to her.

Miss B says she never used the account benefits. But she told us that she drove and I can see fuel payments on her statements. She also said that she didn't travel, but I can see a

foreign transaction on her account in 2012, and child benefit payments. So the family travel insurance may have been of interest to her. Miss B says she took out duplicate cover such as mobile phone insurance. But this was never a benefit of the account. I think, on balance, weighing everything up that there were some benefits of the account that Miss B could have found attractive and would have been able to use.

Miss B says that Santander recommended the accounts to her. She says that the bank reassured her that this was the best account for her and that *"it was the best move for her to take giving her great benefits each month."* (I am not sure which account Miss B is referring to here, the Premier Direct or the Reward so I have assumed her comments refer to both.) I haven't seen anything, however, which makes me think that Santander gave Miss B a tailored recommendation for the Reward account having discussed her circumstances with her. I think it's more likely that the bank told her about the account and it was up to her to decide, in the knowledge of her circumstances, whether or not to upgrade.

Miss B says the benefits of the account were never made clear to her. But I think it's likely that the bank mentioned some of the account benefits in order to persuade her to pay a fee to have the account. It may be that the bank could have given her more or clearer information. But I haven't seen anything that the bank should have told her, but might not have, that would potentially have put her off upgrading. So I don't think Miss B would have done anything differently, had everything gone as it should have.

I want to reassure Miss B that I have carefully considered everything she's told me about her experience with Santander. But, as I've explained above, I don't think the accounts were mis-sold to her and so I can't uphold her complaint.

### **my final decision**

I don't uphold this complaint and I make no award against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 22 April 2016.

Michelle Boundy  
**ombudsman**