

complaint

Mr S has complained that Barclays Bank Plc ("Barclays") mis-sold him a Premier Life packaged bank account in 2009.

background

Mr S also took out other packaged bank accounts with Barclays. But he's only complaining about the sale of the Premier Life account. So this decision is only looking at the sale of Mr S' Premier Life account that took place in 2009.

One of our adjudicators has looked into Mr S' complaint already and he didn't think that Barclays mis-sold the packaged account to him. Mr S didn't accept this and asked for an ombudsman to look at his complaint and 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. We've explained how we handle complaints about packaged bank accounts on our website. And I've used this approach to help me decide Mr S' complaint.

I've carefully thought about everything I've seen on this complaint. But having done so, I don't think Mr S' complaint should be upheld. I'd like to explain why.

I've started by thinking about whether Mr S was given a clear choice in taking the Premier Life account. At this point, it may help for me to explain that I have to make my decision based on what I think is most likely to have happened. And in working out what I think is most likely to have happened, I have to think about everything I've been told together with everything else I've been provided with and see how this fits with what I do know. In other words, what I have to do, in this case, is decide what I think is most likely to have happened having weighed up what Mr S and Barclays have been able to provide me with.

It's my understanding that Mr S had in the past had a fee free account with Barclays that he was able to keep for a number of years. So I think that he would've known that he could've had one if that's what he really wanted. I've seen that Mr S has said that he took the account out because he felt pressured into doing so as Barclays kept ringing him. While I don't know what Mr S was told when he was sold his Premier Life account, it's difficult for me to say that he couldn't have simply ended the call with Barclays or opted out of telemarketing calls. So as this is the case, I can't really say that Mr S was pressured to the extent that he had no choice other than to take out the Premier Life account.

So having thought about everything I've seen, I think it's likely that Mr S was given a clear choice on upgrading. And I think it's most likely that he chose to upgrade to the Premier Life account as he, at the time, thought the benefits it included might prove useful to him.

As I've not upheld Mr S' complaint on the basis that he wasn't given a choice, the crucial question I now need to think about is whether he could've used the benefits – not whether they've proved value for money over the years Mr S had them.

Both Barclays and Mr S have said that the Premier Life account was recommended. This means that Barclays had to make a fair recommendation by taking adequate steps to ensure

that the selected account was a reasonable fit for his circumstances. I should start by saying that I do think it's likely that he would've been told about most, if not all, of the benefits on the account in order to make it appear as attractive as possible. After all Barclays was trying to persuade him to upgrade when he most likely knew he didn't have to. And the best way to do this would've been by telling him about what he'd get for the monthly fee.

I now turn to the advisors' recommendation. Having thought about Mr S' wider circumstances and his actions since upgrading, I don't think that Barclays recommending the Premier Life account to Mr S was unfair or inappropriate. I say this because I think that Mr S appears to have had a want and a need for the main benefits on the account.

At the time Mr S upgraded, the main benefits that set the Premier Life account out from the cheaper accounts in Barclays' range were airport lounge access and worldwide travel insurance. Mr S has told us that he never travelled. But his account ledgers appear to show that he did so quite regularly around the time of the upgrade. So I don't think it's unfair to say that he had a need for travel insurance. And as he appears to have been within the age limits for the policy, was a United Kingdom resident and was registered with a doctor, I've seen no obvious reason why he couldn't have made a claim on the policy if he needed to. Mr S also registered for the airport lounge access included on the account. I've thought about what Mr S has said about only registering for it because he was sent a text. But his registration for this benefit does suggest that this may have been interested in, especially as it coincides with when he went on holiday.

The account also included a £1000 interest and fee free overdraft portion and preferential interest rates on amounts over this as long as the accountholder stayed within their overall agreed limit. Mr S' account ledgers show that this is a benefit he managed to make use of. Mr S also managed to make use of some of the other benefits too. From what Mr S has told us he drove and owned a car at the time he took the package. And he went on to use the breakdown cover on a number of occasions. So this suggests that he had a need for this cover. Mr S also registered a number of handsets for the mobile phone insurance. I've seen what Mr S has said about already having and continuing to keep mobile phone insurance elsewhere. But he registered handsets for the cover on the account. So I think he was relying on the cover included on the account and he found having it useful.

There were other benefits included on the Premier Life account. And while Mr S may not have had a want or a need for each and every one of them, the benefits on packaged accounts come as overall packages. And at the time, the account was sold it wasn't possible for Barclays customers to create their own packages by picking and choosing the benefits they most wanted. When Mr S upgraded to the Premier Life account, it was the only one in Barclays' range that included the benefits he appears to have wanted and needed. And upgrading to the Premier Life account was the only way for Mr S to have the benefits he appears to have, at the time, most wanted and needed with Barclays.

Taking everything I've seen together, I think that the Premier Life account was a reasonable fit when taking into account Mr S' circumstances at the time. So I don't think that Barclays' recommendation was unfair or inappropriate in Mr S' particular circumstances.

Mr S may now, with the benefit of hindsight, believe that he hasn't benefitted from the account as much he had hoped and expected to when he initially upgraded. And given what he might've read and heard about packaged accounts in general, I can fully understand why this might lead Mr S to believe that his account was mis-sold. But as explained earlier, I have

to base my decision on what I think is most likely to have happened at the time of the sale and I can't use hindsight when reaching my conclusion.

I think it's likely that Mr S chose to upgrade after having been told what the account came with. So although Mr S may now think that the account hasn't proved to be value for money and he may be wondering why he took it in the first place, I haven't seen anything to suggest that Barclays did anything significantly wrong at the time of sale. So I don't think that Barclays' recommendation was unfair at the time it was made.

I want to reassure Mr S that I've looked at all the information provided about his complaint. And I've thought about everything he's said. But having done so, and while I appreciate that this will be very disappointing for him, I don't think that Barclays mis-sold the packaged account to him. So I don't think it owes Mr S any money.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr S to accept or reject my decision before 4 April 2016.

Jeshen Narayanan
ombudsman