

complaint

Mr and Mrs H complain that National Westminster Bank Plc (NatWest) mis-sold a packaged bank account to them in 1999. They paid a monthly fee for the account which offered several benefits in return.

background

One of our adjudicators has looked into Mr and Mrs H's complaint already. The adjudicator didn't think that NatWest mis-sold the packaged account and didn't recommend it pay any compensation.

Mr and Mrs H didn't agree with this recommendation and asked for an ombudsman to look at the complaint and make a final decision. They said, in summary, that:

- They never wanted this kind of account and cannot remember how it was 'thrust upon them' other than being told they needed it to maintain an overdraft
- They had breakdown cover already so wouldn't have wanted to duplicate this cost
- They did not become aware of the travel insurance until they had a potential claim in 2009
- They did not require the benefits

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 decide what to do about Mr and Mrs H's complaint. I agree with our adjudicator that NatWest didn't mis-sell the packaged account to Mr and Mrs H and doesn't owe them any compensation and I'll explain why.

Unfortunately in this case, there is very little direct evidence from the time that Mr and Mrs H took their account. When there is a dispute about what has happened and limited evidence from the time then I have to make my decision based on what I think most likely happened given the evidence I do have and the wider circumstances at the time.

Mr and Mrs H have told us that they took the account to maintain an overdraft. It's possible they were told this. But they had a fee free account prior to taking the packaged account which had an overdraft and free banking was widely available in the UK at the time. So I think it's likely that Mr and Mrs H would've known that they didn't have to pay for an account with an overdraft. The packaged account offered a preferential interest rate on the overdraft. And I think it's more likely that they were told this and this is the reason they decided to upgrade. I accept it's possible their recollection has faded given the time that has since passed. Considering everything, I think it's most likely that NatWest gave Mr and Mrs H a fair choice to take the packaged account or keep the free one and their choice was to upgrade.

I haven't seen enough to make me think that NatWest gave Mr and Mrs H a personally tailored recommendation that the packaged account was right for them. So it didn't have to check if the account was suitable for them. But it did have to provide enough information so that they could decide if they wanted to take the account.

The packaged accounts came with a number of benefits. I think it's likely that NatWest would've made Mr and Mrs H aware of the key benefits of the accounts as it is these benefits that make the account more attractive. As explained above, I think it's likely they were attracted by the discounted overdraft and this is why they chose it. Mr and Mrs H have said they had no need for the benefits. I can see they don't appear to have made much use of the benefits. But sometimes people are attracted by benefits which they don't end up using, and I think this is likely what has happened here. The fact that they may not have used all the benefits doesn't mean NatWest mis-sold the account.

Mr and Mrs H have said they have always had separate breakdown cover. But this wasn't a benefit of the account at the time they took it out so I don't think this would've been a factor in them deciding whether they were going to upgrade or not. I think it's likely they would've been made aware when breakdown cover was added, as this would likely increase the appeal of the account. And at this point it was up to Mr and Mrs H to decide whether to maintain their existing cover or not.

It's possible that NatWest didn't tell Mr and Mrs H everything it should have about the packaged account. But I haven't seen anything to make me think that they wouldn't still have taken the account even if NatWest had told them everything.

I want to reassure Mr and Mrs H that I have looked at all the information I have about their complaint. Having done so I don't think NatWest mis-sold the account to them and I don't think it owes them any money.

my final decision

For the reasons I've explained, I don't uphold Mr and Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs H to accept or reject my decision before 2 November 2015.

Rob Deadman
ombudsman