

complaint

Mr O has complained that National Westminster Bank Plc ("NatWest") mis-sold him an Advantage Gold packaged bank account in 2008. He paid a monthly fee for the account which provided some benefits in return.

Mr O has used a claims management company (CMC) to bring this complaint to us.

background

One of our adjudicators has looked into Mr O's complaint already. The adjudicator didn't think that NatWest mis-sold the packaged account to Mr O. The CMC didn't accept this and asked for an ombudsman to look at the 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. I have used this approach to help me decide what to do about Mr O's complaint. I agree with our adjudicator that NatWest didn't mis-sell the packaged account to Mr O. And so it doesn't owe him any compensation. I'd like to explain why.

When the CMC disagreed with our adjudicator and asked for an ombudsman to look into the complaint, it gave its main reasons as Mr O only registered for one of the benefits and NatWest didn't tell him that he'd be better off moving to a different account.

I've thought about these carefully but I don't think that our adjudicator was wrong because:

- It looks like Mr O's account was opened as an Advantage Gold and it has never been fee free. But it is commonly known that fee free accounts are widely available in the UK. And Mr O's circumstances at the time of sale lead me to think that he would've had a fee free account in the past. So taking everything I've seen together, I think it's likely that Mr O was given a fair choice on taking the Advantage Gold account. And I think he agreed to it as he thought the benefits included might prove useful to him.
- Mr O says the package was recommended to him. He says that he was told he'd be better off with the account even though it had charges. But Mr O hasn't said what it was on the account that was recommended to him. And from what I've seen, I don't think that an assessment of Mr O's demands and needs was carried out. So I don't think that NatWest did recommend the insurance benefits to Mr O. And so it didn't have to check if they were suitable for him – either at the time or on an ongoing basis. And it was up to Mr O to decide whether they were right for him. But NatWest did have to give him clear enough information for him to be able to do this. I think it's likely that NatWest's representative did talk about the benefits and at least provided an overview of what was included on the account. After all they were looking to make the account appear as attractive as possible so that Mr O would agree to pay the monthly fee and also agree to bank with NatWest, when he most likely knew he didn't have to.

- When Mr O upgraded one of the main benefits on the account was the preferential interest rates on overdrafts and savings. And I can see that Mr O applied for a savings account and an overdraft on the day the account was opened. Mr O deposited quite a large sum of money when he opened the savings account and he ended up receiving more interest as he had the Advantage Gold. I accept that Mr O may not have ended up using his overdraft. But as it wasn't automatically granted and he had to apply for it, I think it's likely he thought the peace of mind having one (with a preferential rate) in place might prove useful. So I think he may have been attracted to the benefit even though he didn't end up using it. It also looks like Mr O registered for the card protection benefit that was included with the account too. This suggests he may also have found this benefit attractive and useful too. I also think that Mr O could've used some of the other benefits. When Mr O upgraded the main insurance benefit on the account was the travel insurance. Having looked at Mr O's circumstances, it looks like he was under the age limit for the policy and he's told us he travelled. And as Mr O hasn't told us that he had this cover elsewhere and this benefit didn't require registration, I think that Mr O may have relying on it. So the policy was there if he did need to make a claim.
- Mr O may now believe that he hasn't benefitted from the account as much as he hoped and expected to when he took it out. And given what he may have read or heard about packaged accounts, I can understand why this might now lead him to believe that it might have been mis-sold to him. But I think that Mr O freely chose to take the account and he was able to use some of the benefits. There were other insurance benefits Mr O could've used and in the case of some of them probably relied on. While Mr O hasn't had to claim on the insurance, he's benefitted from the reassurance and peace of mind that having insurance cover in place provides. And NatWest didn't have to review whether he was saving money by having the account.

I've looked at all the information Mr O has provided. And having done so, I don't think NatWest mis-sold the packaged account to him. So I don't think it owes him any money.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Mr O to accept or reject my decision before 21 September 2015.

Jeshen Narayanan
ombudsman