

complaint

Miss K and Mr R have complained that Barclays Bank Plc "Barclays" mis-sold them a Premier Life account in 2009.

background

I sent Miss K and Mr R and Barclays a provisional decision on 23 March 2017 to explain why I didn't think Miss K and Mr R's complaint should be upheld. And I said I'd consider anything else anyone wanted to give me.

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 set out our general approach to complaints about the sale of packaged bank accounts on our website and I've taken this into account in deciding Miss K and Mr R's case. Neither Miss K and Mr R nor Barclays have sent me anything else to consider in response to my provisional decision. Given this I still think Miss K and Mr R's complaint shouldn't be upheld for the same reasons as I have previously explained. I've explained my reasoning again below:

It is not in dispute that Miss K and Mr R agreed to take out the Premier Life account and did so knowing that it was optional. So the next thing for me to consider is whether or not the account was recommended to them. Barclays has said the account was not recommended to Miss K and Mr R and this is in line with my understanding of its sales process at the time.

Miss K and Mr R have indicated that they thought that the account was recommended to them but based on everything I am not persuaded that this was a recommended sale. I say this because of the above and as Miss K and Mr R's in their submissions say that the account was mentioned to them due to their savings. Based on their savings the monthly account fee would've been reduced but this to me is not a recommendation about the benefits. Miss K and Mr R have not said anything that would lead me to think that a recommendation was made in relation to the benefits of the account being right for them. As the account was not recommended to Miss K and Mr R, Barclays did not have to ensure that it was right for them given their personal circumstances at the time of the sale. It did though have to ensure that it provided Miss K and Mr R with enough information to make a choice as to whether the account was right for them.

From what Miss K and Mr R have said, and based on their registrations for many of the benefits shortly after the upgrade, I am satisfied that they were told about the main benefits of the account and how to use them. I also note that Miss K and Mr R have said they were attracted to some of the benefits that came with the account. So I think Barclays did give them enough information to decide if they wanted the account.

It is possible that some of the features of the account were not explained but I cannot see anything that Miss K and Mr R were not told that would have altered their decision to take out the account. I note that Miss K had asthma at the time of taking out the account but my understanding is that this would've been automatically covered under the travel insurance policy.

I understand that Miss K and Mr R have said that some of the benefits that came with the account were not useful to them. They have also mentioned that the costs of each benefit were not broken down to them. But accounts such as this are rarely tailored to the individual, so it is common that some of the benefits may not be of use to an account holder and a bank is not required to individually set out the cost of each benefit; rather it needs to set out the cost of the package as a whole.

I can see that recently Barclays withdrew this account and chose instead to offer a variety of packs that can be added to the account. And that this meant Miss K and Mr R could, to an extent, see what some of the benefits cost, but I cannot see that Barclays did anything wrong by doing this and I note that they were notified in advance of these changes and chose, at a later date, to remove these packs from their account.

Miss K and Mr R say that they are unhappy that the benefits that came with the account changed over time. While I understand Miss K and Mr R's frustration with this, a bank is entitled to change the benefits that it offers for accounts like these, as long as it informs the account holder when the changes occur. In this instance Miss K and Mr R seem to have been aware of the changes to the account, so I cannot see that Barclays did anything wrong in relation to this.

I want to reassure Miss K and Mr R that I've looked at all the information provided about this complaint so far. And I've thought about everything they've said. But having done so I don't think Barclays mis-sold the packaged account to them. So I cannot ask Barclays to pay them any money.

my final decision

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K and Mr R to accept or reject my decision before 2 June 2017.

Charlie Newton
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