

## **complaint**

Mr and Mrs R have complained that they were mis-sold packaged bank accounts by The Royal Bank of Scotland Plc ("RBS").

## **background**

Mr and Mrs R opened a fee-free account with RBS in February 1992. They upgraded this to a Royalties account in November 1997 and then upgraded again in January 2009 to the Royalties Gold account.

Mr and Mrs R have said through their representatives that the account was upgraded on both occasions without their consent. Their representatives have also said that Mr and Mrs R didn't know the accounts were optional and that they were led to believe they had to have them. Mr and Mrs R have said that they didn't need the benefits of the accounts and haven't used them.

Our adjudicator did not uphold this complaint. Mr and Mrs R disagree with this so the case has come to me to 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. Where there is limited evidence from the time of sale – as is the case here – I need to decide what I think is most likely to have happened.

I've decided not to uphold Mr and Mrs R's complaint for the reasons set out below.

Mr and Mrs R's representatives have said that both of the accounts were upgraded without their knowledge and consent. But the representatives have also said that Mr and Mrs R were led to believe they had to have the accounts and weren't given the choice of a free account. It seems to me that these two complaint points are inconsistent and that either the accounts were upgraded without Mr and Mrs R's knowledge or they were told they had to have the accounts – it can't be both. Mrs R confirmed to RBS that she had received the welcome pack and said that the account was not value for money. She didn't indicate at that time that the account had been upgraded on either occasion without her knowledge. Mr and Mrs R also went on to use the benefits of the accounts. So I think they are most likely to have been aware that the account was upgraded as they used benefits which were not previously available with their free account.

As set out above, Mr and Mrs R's representatives have also said that Mr and Mrs R were led to believe that they had to have the accounts and that they weren't given a choice of a fee-free account. Mr and Mrs R upgraded from a free account to the Royalties account so I think they were aware that free accounts were available. I haven't seen enough evidence to understand why they thought they couldn't continue with a free account. No further detail has been provided as to exactly what was said or done by RBS when the accounts were upgraded to make Mr and Mrs R think that they had to upgrade and – on the questionnaire to this service – it was indicated they Mr and Mrs R couldn't remember how the accounts were sold. So there isn't enough evidence for me to find that Mr and Mrs R weren't given a fair choice about whether to take the account on each occasion. I think it's most likely that they chose to do so because they were attracted to some of the benefits.

Having considered the evidence, I don't think RBS assessed Mr and Mrs R's circumstances in any detail or gave them a personalised recommendation to take the accounts. So it seems to me that the sales were conducted on a non-advised basis. This means RBS didn't have to assess the suitability of the accounts for Mr and Mrs R. But it still had to provide clear enough information about the accounts so that Mr and Mrs R could decide for themselves whether they wanted them.

One of the benefits of the Royalties account at the time Mr and Mrs R upgraded was preferential rates on loans and I can see that they have benefitted from this on three occasions. They have also received preferential rates on their overdraft and ordered discounted books available through the account. Both Mr and Mrs R have also registered a number of cards for card protection. After upgrading to the Royalties Gold account it appears that Mr and Mrs R continued to make use of the account and contacted membership services on a number of occasions regarding card protection, ID theft protection and travel service benefits. Mrs R also requested literature about the account after it was upgraded to the Royalties Gold account. So I think it is likely that Mr and Mrs R were made aware of the main benefits of the accounts when they took them out and that some of them were of interest to them at the time –although they may have forgotten about this later.

Packaged bank accounts are rarely tailored to the individual so it's unlikely that every customer will find every benefit useful. It was for Mr and Mrs R to decide whether the benefits, as a package, were attractive to them for the cost. The fact that Mr and Mrs R may not have used all of the benefits doesn't mean the accounts were mis-sold. And I've seen nothing to suggest they couldn't potentially have benefitted from the accounts as a whole.

Mrs R has said to RBS that she doesn't feel the accounts were value for money as they haven't used the benefits. It may be that with the benefit of hindsight Mr and Mrs R may not now consider the accounts provided value for money. But this doesn't mean they were mis-sold when they took them out. Mr and Mrs R's representatives have said that they didn't make a claim on the mobile phone insurance. Whilst I accept that this is right, the purpose of having insurance is to provide piece of mind that a potential risk would be covered. So the fact that Mr and Mrs R haven't made a claim also doesn't mean the accounts were mis-sold.

I accept it's possible that RBS didn't give Mr and Mrs R all of the information about the accounts that it should have. But I don't think there is anything about the accounts which they weren't told which would have put them off taking them if they'd known about it. And I don't think Mr and Mrs R have lost out because of anything RBS might have done wrong.

**my final decision**

For the reasons given above, I do not uphold the complaint or make any award against The Royal Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs R to accept or reject my decision before 9 November 2015.

Rachel Ellis  
**ombudsman**