

complaint

Miss C has complained that Santander UK Plc ("Santander") mis-sold a Choice account to her in 2010.

background

One of our adjudicators has looked into Miss C's complaint already. And she didn't think that Santander mis-sold the account. Miss C 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.

Having carefully thought about everything provided, I don't think that Santander mis-sold the packaged account to Miss C. And so it doesn't owe her any compensation. I'd like to explain why.

I've firstly thought about whether Miss C was given a clear choice in taking this account. At this point, it may also help for me to explain that I have to make my decision based on what I think is most likely to have happened. When the parties to a complaint disagree about what happened (such as here) and there's a lack of evidence from the time, I have to think about what I have been provided with, what I do know and the wider circumstances at the time. In other words, what I have to do, in this case, is decide what I think is likely to have happened having weighed up what both Miss C and Santander have been able to provide me with.

Miss C's said that she was given this account without her permission and she actually asked for her account to be switched to a fee free one. But I have to think about what she's said in the context of everything I've been provided with. I think I should start by saying that while the Choice account does have a monthly fee, it isn't a packaged bank account. This is because it doesn't include any insurance benefits. The Choice account is actually a form of control account. And the monthly fee the accountholder pays is to ensure the bank doesn't allow them to go into an unauthorised overdraft. It also limits the number of fees that the consumer pays for not having the funds to meet payments they've agreed to make to other parties.

In this case, I'm mindful that Miss C's account was upgraded not too long after she'd complained about unauthorised overdraft fees and that she was suffering financial hardship. The account was also upgraded shortly after Miss C had been refunded £400 in unauthorised overdraft fees. It also looks like Miss C had gone to Santander to complain about being allowed to go overdrawn. So bearing mind in the circumstances leading up to the upgrade and what the fee on the Choice account was for (which were for controls that Miss C could benefit from given the charges that had been applied in the past), I do think it's most likely that Miss C's account was switched to a Choice one after she agreed to it. I accept that Miss C may no longer recall this, perhaps because she mistakenly believes the account included insurance. But that on its own doesn't mean that her account was switched without her permission. Especially as Santander is likely to have been able to charge her far more if it had simply charged unauthorised overdraft fees rather than the monthly fee for the Choice account.

So having thought about everything, including what Miss C's told us, I think it's most likely that Santander gave Miss C a clear choice. And I think it's most likely that she chose to switch to the Choice account because she had more chance of avoiding the substantial amount of unauthorised fees she'd previously had to pay.

I've seen what Miss C's told us about already having travel insurance, breakdown cover, mobile phone insurance and gadget insurance. But as the Choice account wasn't a packaged bank account which included insurance benefits none of those benefits were included. So Miss C wasn't left in a position where she was paying for cover twice and Miss C having cover elsewhere doesn't mean that the Choice account was mis-sold to her. I've also seen what Miss C's said about not being told what the fee was for when she queried this. I accept that Santander could've better explained that the Choice account wasn't a packaged bank account including insurance sooner. That said, in order to uphold the complaint I still need to be persuaded that the account was mis-sold to her. And as I've previously explained, I think that Miss C's account was switched after she'd agreed to it.

Miss C may now, with the benefit of hindsight, believe that she didn't need an account with these types of restrictions. And given what she might've read or heard about packaged accounts in general, I can to some extent understand why this might now lead her to believe that her Choice account might have been mis-sold. But the Choice account wasn't a packaged bank account. It provided a number of restrictions which I think proved useful to Miss C and these restrictions may well have ended up saving her money. I accept things might've been easier if Santander had clearly explained this to Miss C during the course of the complaint. But overall I've not seen enough to be able to safely say that the Choice account was mis-sold.

I want to reassure Miss C that I've looked at all the information provided about her complaint. And I've thought about everything she's said. But having done so, I don't think Santander mis-sold the Choice account to her. So I don't think it owes her any money.

my final decision

For the reasons I've explained, I don't uphold Miss C's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss C to accept or reject my decision before 17 October 2016.

Jeshen Narayanan
ombudsman