

complaint

Miss S has complained that The Royal Bank of Scotland Plc (RBS) mis-sold her a Royalties Gold packaged bank account in 2011. She pays a monthly fee for the account which offers several benefits.

Miss S has used a claims management company (CMC) to bring her complaint to us.

background

Miss S held a fee free account with RBS. This was upgraded to a Royalties Gold account in 2011, before being transferred to a Select Platinum account in 2015.

One of our adjudicators looked into Miss S's complaint. He didn't think RBS had mis-sold the packaged account to her and didn't recommend it needed to refund the account fees. Miss S didn't accept this conclusion. She asked for an ombudsman to look at the complaint afresh and decide the complaint outcome.

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 and I've used this approach to help me decide what to do about Miss S's complaint.

Having thought carefully about all the points that have been made and the rest of the evidence, I don't think RBS mis-sold the packaged bank account to Miss S. So it doesn't need to compensate her. I know this will be disappointing for Miss S, so I hope my explanation will help her understand how I have come to this conclusion.

Miss S initially said she didn't recall the Royalties Gold account being sold to her. But RBS has provided a signed copy of the form Miss S signed when she agreed to take the packaged account. Miss S has since said that RBS 'pushed' her into taking the account and that she wasn't offered an alternative account. She says she thought she had to have the account to get future credit facilities. But Miss S hasn't given any detail about what the bank said or did to make her think this was the case. I don't know what was said. But I do know that Miss S had held a fee free account with RBS for a number of years before the upgrade and that account had an overdraft on it. I also know RBS hadn't withdrawn free bank accounts from its account range. And the form she signed offered other alternative account options. Having had a free account which had an overdraft on it, I think Miss S would've known she didn't need to pay for a bank account with RBS in order to have a credit facility agreed. Taking everything into account, I think it's most likely RBS gave Miss S a fair choice to take the Royalties Gold account or keep her free one. And she agreed to take the account.

I think RBS probably did bring the Royalties Gold account to Miss S's attention. But I haven't seen anything to suggest that RBS asked about her specific circumstances or provided a tailored recommendation. So I don't think that RBS recommended the packaged accounts to Miss S. This means it didn't have to check if the account was suitable for her. But it did have to provide enough clear information about the Royalties Gold account for Miss S to decide if she wanted it or not.

I don't know exactly what attracted Miss S to the account but it's likely that RBS would have explained the main benefits of the account as this would have made it more attractive. I think it's possible that Miss S was attracted to the preferential interest rates that the Royalties Gold account offered. I say this because Miss S applied for a loan very shortly after taking the account and she benefitted from a preferential rate on her overdraft as soon as she upgraded.

And there may have been other benefits on the account that could've been useful to Miss S too. I accept Miss S doesn't appear to have used all of the benefits of the account but consumers are sometimes attracted to benefits that they then never end up using. I think it's most likely that's what happened here. And just because Miss S might not have taken advantage of all the benefits, doesn't mean the account was mis-sold to her.

It's possible RBS didn't tell Miss S everything it should have about the Royalties Gold account. But I haven't seen anything to make me think that Miss S would not still have taken the account even if RBS had told her everything.

I want to reassure Miss S that I have looked at all the information I have about her complaint. Having done so, I don't think RBS mis-sold the Royalties Gold account to her. If Miss S wishes to cancel the packaged account she should contact RBS directly.

my final decision

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

Under the rules of the Financial Ombudsman Service, I am required to ask Miss S to accept or reject my decision before 15 February 2016.

Sandra Greene
ombudsman