

## **complaint**

Mr P has complained that he was mis-sold an Additions packaged bank account by Barclays Bank Plc ("Barclays").

## **background**

I attach the relevant section of my provisional decision of 26 January 2016, which forms part of this final decision.

In my provisional decision I set out why I didn't intend to uphold Mr P's complaint. I invited both parties to make any further comments before I reached a final decision.

Following this, Barclays provided nothing further for me to consider. Mr P responded. In summary, he said:

- he never switched back to a fee free account;
- he never had an overdraft on his previous fee free account;
- he didn't benefit from the account;
- he's now being charged a fee to use his overdraft.

## **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 Mr P's complaint.

Having carefully thought all of Mr P's further points, I still remain of the view that Barclays didn't mis-sell the Additions account to him. So I'm not going to ask it to pay him any compensation.

I appreciate that Mr P's said that he didn't switch to a fee free account in 2002. But as I explained in my provisional decision, as I didn't find that the account was mis-sold in 1999 even if Mr P didn't switch to a fee free account in 2002 my decision would've been the same.

I've seen what Mr P's said about not having had an agreed overdraft on his previous fee free account. But his account ledgers show that he did. I accept that there are occasions where he incurred additional unauthorised overdraft fees as a result of exceeding his agreed limit. But this doesn't mean that he didn't have an agreed overdraft in the first place. And it remains the case that I think that Mr P would've most likely known that he could've had an overdraft on a fee free account if that's what he really wanted. As for Mr P's assertion on whether Barclays has provided anything to show that he wasn't told he had to have the account, I'm not sure what he expects Barclays to produce to show this. Especially as the sale took place such a long time ago and Mr P is talking about a conversation.

In any event, it's up to me to determine what I think is most likely to have happened at the time. And having thought about everything, I think it's most likely that Mr P chose to take out the Additions account, in order to avoid paying the £5 a month overdraft usage fee that he would've otherwise paid to use an agreed and authorised overdraft at the time. Mr P may feel that he hasn't benefitted from the account. But the overdraft savings alone were pretty much covering the monthly fee. And it was up to Mr P to switch to a fee free account if he no

longer found having the benefits useful. I would also point out that Mr P went on to use the breakdown cover. And it's on this basis that I said he later drove and is likely to have found this cover useful.

I've seen that Mr P is unhappy at the overdraft charges that are now being applied to his account. But I can't see that this is something that he's discussed with Barclays. And I'm only able to look at a complaint once the business concerned has had the chance to put things right. So if Mr P wishes to take this matter further, this is something that he'll have to take up with Barclays in the first instance.

I want to reassure Mr P that I've looked at all the information that I've been provided with. And I've thought about everything that he's said. But having done so, it remains the case that I don't think Barclays mis-sold him his Additions account (either just in 1999 or in 1999 and in 2002). So I'm not upholding his complaint.

### **my final decision**

For the reasons set out above and in my provisional decision of 26 January 2016, I don't uphold Mr P's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr P to accept or reject my decision before 8 April 2016.

Jeshen Narayanan  
**ombudsman**

## **COPY OF RELEVANT SECTION OF MY PROVISIONAL DECISION**

### *why I don't think Barclays mis-sold Mr P his Additions accounts*

While I accept that a reasonable account holder may not have had cause to believe that Mr P's account had been switched to a fee free one in 2002, my knowledge of Barclays' account charging structure over the years leads me to think that the Additions account was sold on two separate occasions in 1999 and 2002. So while I've thought about what Mr P has said, I've looked at his complaint on this basis. For the sake of completeness, I'd also add that even if I were to have reached the conclusion that there was a single sale, I wouldn't have reached a different outcome anyway.

I've considered all the available evidence and arguments to provisionally 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 Mr P's complaint.

Having carefully thought about everything I've been provided with, I don't intend uphold Mr P's complaint. But I'd like to explain why in a little more detail.

I've started by thinking about whether Mr P was given a choice in taking these accounts. At this point, it may help for me to explain that I have to make my decision based on what I think is most likely to have happened. And in working out what I think is most likely to have happened, I have to think about everything I've been told together with else everything I've been provided with and see how this fits with what I do know. In other words, what I have to do, in this case, is decide what I think is most likely to have happened having weighed up what Mr P and Barclays have been able to provide me with.

Mr P complains that he was told he needed the packaged account to be able to have an overdraft with Barclays. But from what I've seen it looks like Mr P had an overdraft on a fee free account as far back as 1998.

As one of the benefits on the Additions account was preferential overdraft terms - Additions account holders didn't have to pay the £5 a month overdraft usage fee free account holders had to and there was an interest free overdraft portion as well as a substantially reduced interest rate on amounts over this - I think the salesperson may well have pointed out that Mr P could save on what he'd pay if used an overdraft on his fee free account. And as this may have formed part of the discussion, I can understand why Mr P may now think that having the packaged account and being able to have an overdraft were linked. But I don't think that the salesperson would've gone as far as saying that Mr P had to have the packaged account to have an overdraft of any description.

So having weighed up what Mr P's told us against everything else I've been told, I've not seen enough here to be able to safely say that Mr P was told he had to upgrade in order to be able to have or keep an overdraft. And I think it's likely that, at the time, Mr P would've known he could've kept his fee free account if that's what he really wanted to do. Having thought about everything I've seen, I think it's likely that Mr P was given a clear choice on upgrading. And I think it's most likely that he chose to upgrade to the Additions account, on both occasions, as he, at the time, thought the benefits it included might prove useful to have.

As I've found that Mr P most likely agreed to the Additions account, the crucial question I now need to think about is whether he could've used the benefits – not whether they've proved value for money over the years Mr P had them. I should start by saying I think it's likely that Mr P would've been told about most, if not all, of the benefits on the package in order to make it appear as attractive as possible. After all Barclays was trying to persuade him to have it when he most likely knew he didn't have to. And the best way to do this would've been by telling him about what he'd get for the monthly fee.

From what I've seen, I don't think that Barclays recommended the account to Mr P on either occasion. This means that it didn't have to check whether it was right for him and it was up to Mr P to do this.

At the time Mr P first upgraded to the Additions account, I think that Mr P used the main benefit he upgraded for. He immediately saved on the £5 a month overdraft usage fee. He also benefitted from the fee free portion on his overdraft and paid a lower rate of interest whenever he was overdrawn by more than this, as long as he kept to his agreed limit. And they were periods of time when he was overdrawn by significantly more than £100 and made substantial interest savings when he did. At the time Mr P is likely to have upgraded for the second time, the account also included breakdown cover as well as an interest free overdraft portion and a discounted interest rate on amounts over this. Mr P has told us that he drove and that he went on to use the breakdown cover. So I don't think it's unfair to say that he could've used the breakdown cover or that he might've found having it useful. And as Mr P continued to use his overdraft, he would've benefitted from the preferential terms too.

I accept that a number of other benefits were added to the Additions account over the years. But I think it's likely that Barclays would've written to Mr P about these changes as and when they happened. And at this point, it would have been up to Mr P to decide whether the inclusion of benefits he might not have had as much of a need for now meant the overall package was no longer worth having – especially as the account fee also increased.

Mr P may now, with the benefit of hindsight, believe that he hasn't benefitted from the account as much he had hoped and expected to when he initially upgraded. And given what he might've read and heard about packaged accounts in general, I can understand why this might lead him to believe his account was mis-sold. But I have to base my decision on what I think is likely to have happened at the time of the upgrades and I can't use hindsight when reaching my conclusion. And having done so, I think that Mr P chose to take the Additions account, on both occasions, after he was told what it came with.

I want to reassure Mr P that I've looked at all the information provided about his complaint. And I've thought about everything he's said. Having done so, and while I appreciate that this will be very disappointing for him, I, at the moment, don't think that Barclays mis-sold the Additions account to him. So I'm not intending to uphold his complaint about either sale.

### **my provisional decision**

For the reasons I've explained, I don't intend to uphold Mr P's complaint about the sale of his Additions accounts.

I will look at any further points if they relate to the sale of the Additions accounts. So if Barclays or Mr P have anything further to add before I issue a final decision on this matter, they should ensure anything they send reaches me by 26 February 2016.

Jeshen Narayanan  
**ombudsman**