

complaint

Mr S is complaining about packaged bank accounts sold to him by Barclays Bank Plc (Barclays).

Mr S has used a claims management company (CMC) to bring his complaint to us.

background

Mr S held a free account with Barclays before upgrading to a Current Plus account in October 2009. This account was upgraded again in December 2009 to an Additions Active account, and then upgraded to a Premier Life account in January 2010. The Premier Life account was downgraded around a month later to a free account. Then in August 2011 the account was upgraded again to the Current Plus account. Mr S paid a monthly fee for the packaged accounts which came with several benefits in return.

It looks like Barclays has already refunded the fee Mr S paid for the Premier Life account and so I haven't considered whether this account was mis-sold in my decision.

An adjudicator looked into Mr S's complaint and didn't think that the packaged accounts had been mis-sold to him. Mr S and his CMC didn't agree and asked for an ombudsman to decide the outcome of the complaint.

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 Mr S's complaint.

Having carefully thought about everything I've seen on this complaint, I don't think that Mr S's complaint should be upheld. I'd like to explain why.

I've started by thinking about whether Mr S was given a fair choice when he took the packaged accounts. Mr S had held a free account with Barclays before upgrading to the first packaged account he took, and so I think he would have known that free accounts were available to him. It also looks like Mr S had a free account after downgrading from the Premier Life account in February 2010, until the second upgrade to the Current Plus in August 2011. So overall I think it's most likely that Mr S was given a fair choice. And that when he took the packaged accounts he did so knowing that they came at a cost, and that he didn't have to.

The CMC has said that the packaged accounts weren't suitable for Mr S and that he wasn't given much information about the accounts. So from what Mr S and Barclays have said I don't think the bank made a recommendation for him to take the accounts based on a review of his personal circumstances. So this means Barclays didn't have to make sure that the accounts were right for him. Banks don't always have to provide advice when they sell something. That said, Barclays did still need to give Mr S clear enough information so he could make an informed decision about whether to take the accounts.

I don't know what Mr S was told during each upgrade, but I do think it's likely that Barclays would have told him about the main benefits the accounts came with. I say this because if

Barclays was trying to sell Mr S these accounts which came at a cost, when Mr S knew he didn't have to take them, then listing the benefits would make the accounts more attractive. I accept that the ins and outs of the benefits might not have been covered in lots of detail during the sales. But I've not seen enough to think that even if more detailed information had been given, that Mr S wouldn't have taken the account.

The CMC has said that Mr S already had car breakdown cover and mobile phone insurance and that he always took out separate travel insurance. To clarify, the Current Plus account didn't come with travel insurance or breakdown cover – but it did come with mobile phone insurance. The Additions Active did come with all these benefits. But because I think Barclays would have most likely told Mr S what the main benefits of the accounts were, it would have then been for him to decide whether to cancel any existing cover.

The CMC has said that Mr S had a medical condition which meant he would have been limited in his use of the travel cover. It was the Additions Active account that came with travel insurance. It doesn't look like medical conditions were automatically excluded from cover, but they did have to be declared to the insurer before travelling. I don't know if Mr S was told about this when he upgraded to this account. But the CMC has also said that Mr S took out travel insurance separately – which makes me think that the travel insurance that came with the packaged account may not have been the most important benefit to him. Taking all this together, I'm not persuaded that even if there were some limitations of the cover that this would have led to Mr S not taking the upgrade.

I'd like to reassure Mr S that I have given his complaint a lot of thought and considered everything he's said. I appreciate that Mr S may now, with the benefit of hindsight, believe that he hasn't benefitted from the accounts as much he'd hoped. But I haven't seen enough to agree that the upgrades were mis-sold to him.

my final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 April 2016.

Lauren Long
ombudsman