

complaint

Mr L has complained that National Westminster Bank plc ("NatWest") mis-sold him a packaged bank account – an Advantage Gold packaged bank account in 2012.

background

The essence of Mr L's mis-sale complaint is that he wasn't aware that he had a packaged bank account until very recently. So he says he never agreed to take out such an account.

One of our adjudicators has looked into Mr L's complaint already and he didn't think that NatWest mis-sold the packaged account. Mr L 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. We've explained how we handle complaints about packaged bank accounts on our website. And I've used this approach to decide what to do about Mr L's complaint.

Having looked at all the information provided, I don't think NatWest mis-sold the packaged account to Mr L. And so it doesn't owe him any compensation. I'd like to explain why.

I should say from the start that I have to make my decision based on what I think is most likely to have happened - bearing in mind what Mr L has told me together with everything else I've been provided with from the bank.

I've started by thinking about whether Mr L was given a clear choice in taking the account. He says he wasn't even aware he'd been upgraded to a packaged account.

I've considered this point carefully and looked at the information provided by the bank. In particular, I've considered the "RBSG Hub – Account Usage Summary Report". The report says the Advantage Gold account started on the 24 July 2012 and under the heading "Registrations" it records Mr L as having registered his mobile phone on the 1 September 2012.

I appreciate Mr L has questioned the validity of this information. But this information would've originated from the insurer given it would've been responsible for administering the policy benefits and dealing with any potential claims. The insurer, in this case, has no real interest in the outcome of this mis-sale complaint. And so I've no reason to doubt the credibility of the information it's passed on to the bank as recorded in the bank's report. And I've not seen anything else in the records or elsewhere to make me doubt the accuracy of the information. So I'm content to rely on it.

NatWest has since confirmed the specific make of the phone that was registered. Again, this information would've originated from the insurer and so I've no reason to doubt it. Mr L says that everyone had this make of phone. But, whilst this make may have been popular, there were many other smart phones on the market at this time. It doesn't mean that the phone in question wasn't Mr L's.

I also note, in passing, that the bank, according to its records, sent out two welcome packs on the 24 and 30 July 2012, setting out the benefits of the account. I appreciate Mr L says he didn't receive these packs. But, having checked the bank's records, it looks like they were sent to the address where Mr L was living at the time. I appreciate Mr L says that he's since moved but these documents were sent to him a matter of days and weeks after the upgrade. So I think it's likely that Mr L received the packs. In those circumstances, I think that Mr L, on receipt of the packs, would've contacted NatWest to query what he was receiving and why he was being charged if he hadn't agreed to the upgrade.

So I think it likely that Mr L was aware of the packaged account when it was upgraded in July 2012 as well as the benefits it included.

It also looks like Mr L upgraded to the Advantage Gold account from a fee free one that he'd held for some time. So I think that Mr L would've been aware that NatWest did fee free accounts and he could've had one if that's what he really wanted.

So whilst I've given careful thought to what Mr L's said, I think it's most likely that Mr L's account was upgraded because he agreed to it after being provided with a clear choice. And I think it's most likely that he chose to upgrade to the packaged account as he thought some of the benefits – such as the mobile phone insurance – might prove useful to him.

As I've found that Mr L most likely agreed to the account, the crucial question I now need to consider is whether he could've used the benefits – not whether hindsight shows that the account hasn't proved value for money.

The bank has suggested that this account wouldn't have been recommended to Mr L. And I haven't seen anything to suggest that a detailed assessment of Mr L's circumstances was carried out at the time of sale, which is what would've happened if the account had been recommended. So I haven't seen enough here to be able to say that the account was recommended to Mr L. This means that the bank didn't have to check if the account was right for Mr L and it was up to him to decide this for himself by thinking about what it came with and his circumstances at the time. But the bank did have to provide him with clear enough information to do this. It's difficult to say exactly how the clearly the bank explained the benefits to Mr L. I've not seen much information from the time of the sale to comment either way.

But what I do know is that the Advantage Gold account offered a range of benefits. These included, amongst other things, worldwide travel insurance and mobile phone cover.

I note from the questionnaire Mr L says he went on holiday 1-3 times a year. So I think Mr L was eligible for and could've used the worldwide travel insurance if he'd wanted.

And as for the mobile phone insurance benefit – not only would Mr L have found this benefit useful given he had a smart phone at the time – it looks as though he took advantage of the benefit. As I mentioned above, he registered his phone in September 2012 which, according to the bank, would've provided him with cover for the duration of the packaged account as he didn't need to register the phone again.

I've seen what Mr L has said in his questionnaire about having some of this cover elsewhere. I've not seen any specific information to show how much duplication there might have been. But as I think it was likely that Mr L was told about the benefits included and the account wasn't recommended to him, I can't hold the business responsible if Mr L relied on cover that he paid for elsewhere instead of what was included on the account.

I accept that the packaged account included other benefits which Mr L may not have wanted or needed. But packaged accounts aren't generally tailored products. And a consumer isn't necessarily going to find all of the benefits useful. But, as I've already said, Mr L was eligible for and could've used some of the other benefits available. So, overall, I think Mr L did receive enough to know and understand what he was agreeing to and also decide whether the account was right for him.

I appreciate Mr L will be disappointed with the outcome. And I understand he feels strongly about the validity of the bank's screenshot evidence. But as I explained earlier, I have to base my decision on what I think is most likely to have happened bearing in mind all the information I have. And, on that basis, I don't think the packaged account was mis-sold to him.

my final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 12 October 2016.

Anthony Harrison
ombudsman