

### **complaint**

Mr H has complained that Santander UK Plc (“Santander”) mis-sold a ‘Reward’ packaged bank account to him in 2011. He paid a monthly fee for the account and could have used several benefits in return.

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

### **background**

One of our adjudicators has looked into Mr H’s complaint already. The adjudicator didn’t think that Santander mis-sold the packaged account to Mr H and didn’t recommend that Santander should pay him any compensation. The CMC didn’t accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision.

I issued a provisional decision on 20 August 2015 a copy of which is attached and forms part of this final decision.

I asked both parties to provide me with any additional information they wanted me to consider. Both the CMC and Santander have confirmed they have nothing further to add.

### **my findings**

I’ve reconsidered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

As neither party has provided additional information for me to consider I see no reason to change my provisional decision and I do not uphold Mr H’s complaint.

### **my final decision**

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr H to accept or reject my decision before 26 October 2015.

Karen Hanlon  
**ombudsman**

## **COPY OF PROVISIONAL DECISION**

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### **background**

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### **my provisional 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. I’ve used this approach to decide what to do about Mr H’s complaint. I agree with our adjudicator that Santander did not mis-sell the packaged account to Mr H and doesn’t owe him any compensation.

When the Mr H disagreed with our adjudicator and asked for an ombudsman to look into the complaint, he told us that his account was upgraded when he phoned the bank to arrange a loan. Mr H says he felt pressured into upgrading his account in order to secure the loan and that he made it clear to the representative on the phone that he didn’t need any of the insurance available through the packaged account.

I’ve thought about these points carefully but they don’t persuade me that our adjudicator was wrong because:

- Santander has sent us a copy of the call recording where Mr H both arranged his loan and agreed to upgrade his account. Having listened to it, I am satisfied that Mr H was told he had been approved for his loan *before* discussing upgrading his account. So I don’t think he was led to believe that he wouldn’t be able to secure the loan without changing his account. Mr H took the packaged bank account by switching from a free account, and having heard the call in full, I am satisfied that the representative Mr H spoke to explained to him that he was under no obligation to change his account - and that he could either upgrade to the packaged account or keep the free one.
- The representative Mr H spoke to didn’t recommend the packaged account to Mr H so she didn’t have to check if the account was suitable for him. However she still had to give Mr H enough clear information about the packaged account for him to decide if he wanted it. Like our adjudicator, I think that Mr H was attracted to some of the benefits of the packaged account and chose it because of these benefits. Mr H

has told us that he had duplicate cover in place and that he didn't need any of the insurances the account offered. However, during the call with the representative, Mr H was asked about each insurance benefit individually to find out whether or not it could've potentially been of use to him. During this conversation Mr H confirmed that he might have been able to use the travel insurance, car breakdown cover and ID theft protection and that he didn't have any of the above insurances in place. The representative also told Mr H that he would be able to use the interest free overdraft facility and that providing he stayed within his current overdraft limit, he wouldn't be charged for this. She also explained the monthly and annual cost of the account and asked Mr H whether or not he was happy to proceed with the upgrade. Mr H confirmed that he was. Mr H was also given the choice between the two different packaged accounts that Santander offered at the time but chose this one. So taking all of this into consideration, I think the benefits and costs of the account were clearly explained to Mr H and that he agreed to the upgrade because he thought some of the benefits might have been useful.

- With hindsight, Mr H might feel that the packaged account wasn't particularly beneficial to him as it doesn't appear that he ever needed to claim against any of the insurances. But insurance gives peace of mind and just because Mr H has been fortunate enough not to need to claim against the policies, it doesn't mean that they held no potential value to him. So taking the evidence as a whole, I think that Mr H agreed to take the account, knowing he had a choice and that he was taking an account with benefits and an attached cost. And although he might not have taken advantage of all the benefits, or needed to make a claim, this doesn't mean that the account was mis-sold.

I want to reassure Mr H that I have looked at all the information I have about his complaint. Having done so I don't think Santander mis-sold the packaged account to him. I don't think it owes him any money.

#### **my provisional decision**

For the reasons I've explained, I don't intend to uphold Mr H's complaint.

Karen Hanlon  
**ombudsman**