

## complaint

Mrs R has complained that Santander UK Plc mis-sold a Premium packaged bank account to her in 2011. She paid a monthly fee for the account which offered several benefits in return.

## background

Mrs R's fee free Premier account was upgraded to a Premium packaged account in 2011. The account was changed to a Santander 123 current account in 2013. Mrs R has told us that her complaint only relates to the sale of Premium account.

One of our adjudicators has looked into Mrs R's complaint already. The adjudicator didn't think that Santander had mis-sold the Premium account to Mrs R and didn't recommend that Santander should pay her any compensation. Mrs R didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision. In summary, she said:

- she wanted to reduce her overdraft, but was told that if she did Santander may be able to close her account due to a payment agreement on her credit card;
- she was told having the Premium account would 'safeguard' her current account; and
- she already held roadside assistance, travel insurance and mobile phone cover so she was paying twice for services she already had.

## 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. I've used this approach to help me decide what to do about Mrs R's complaint. I agree with our adjudicator that Santander didn't mis-sell the Premium account to Mrs R and doesn't owe her any compensation. I will explain why below.

Firstly, I should say that I don't doubt that Mrs R has given us her honest recollections about the sale of the Premium account. But Santander has provided a different version of events. When events are in dispute, I make my decision based on what I think is most *likely* to have happened given the evidence that is available and the wider circumstances at the time.

Mrs S says she was mis-led into taking the Premium account during a discussion at the branch and then she completed an application on-line. Santander says it has no record of a discussion in branch. It says the account was discussed during a phone call.

And Santander has provided a recording of the telephone conversation it had with Mrs R which I've listened to (and a recording has been sent to Mrs R). Having done so, I am satisfied that Mrs R contacted Santander to discuss receipt of her recent statement and charges that were due to be debited to her account and which she said she couldn't afford to pay. And that during the call it was Mrs R who asked '*will it be worthwhile me thinking about changing my account*'. Santander then introduced the Premium account – listing the cost and benefits the account offered.

I can see there has been some confusion with our adjudicator over whether or not the account was opened during this call or subsequently on-line. But from what I've seen it seems Santander has also said that the account was subsequently opened on-line – two days after the telephone discussion. I've thought carefully about what Mrs R has said about discussing the account at the branch. And it's possible that Mrs R may have also had a face to face discussion at the branch – in between the phone call and opening the account on-line. But Santander has told us it can't find any record of such a discussion. Taking this all into account, I haven't seen enough persuasive evidence that would make me think Mrs R was told that reducing her overdraft would result in her account being closed or that she needed to upgrade to 'safeguard' her account due to payment arrangement on her credit card.

All in all, I think it's most likely that Mrs R upgraded her account on-line following the telephone discussion. And I'm satisfied that the representative Mrs R spoke to introduced the Premium account to Mrs R (at her request) and went through the benefits and the cost of it. Overall, as Mrs R had previously held a fee free account with Santander, it was Mrs R who asked about changing her account, and the account was subsequently opened on-line, I think Mrs R would've known she didn't have to pay for a packaged account if she didn't want to. And she was aware she had a choice to take the Premium account or keep her free one.

Mrs R says Santander recommended the account to her. But while Santander brought the Premium account to Mrs R's attention, I haven't seen enough to say that Santander provided a tailored recommendation based on her individual circumstances. So Santander didn't have to check if the account was suitable for her. But Santander had to give Mrs R enough clear information about the packaged account for her to decide if she wanted it.

The Premium account offered a range of benefits including worldwide travel insurance, Identity protection, car breakdown cover, airport lounge access, mobile phone insurance and interest wasn't charged on the first £500 of an agreed overdraft facility and other charges were reduced.

Mrs R has told us that she already held separate mobile phone insurance, car breakdown cover and Travel insurance so she didn't need the benefits on the Premium account. However, during the telephone call mentioned above, I am satisfied the Santander described enough about the benefits that came with the Premium account to enable Mrs R to decide if she wanted the account. And, as the account was subsequently opened on-line, I think it's also likely that the on-line account opening procedure would've highlighted the key benefits of the account. I'm also satisfied that Mrs R told the representative that she didn't have car breakdown cover at that point and *'that in itself would cost more than £20 per month'*. So overall, I think Mrs R was given enough information about the account and, at the point of sale, Mrs R was attracted to the Premium account benefits and she thought some of them would be useful to her.

I acknowledge that Santander may not have told Mrs R the finer detail about the terms and conditions of the benefits of the account during the telephone call. But I haven't seen anything to make me think that Mrs R wouldn't still have taken the account even if Santander had told her everything.

With hindsight, Mrs R might feel that the Premium account wasn't as beneficial to her as it may have appeared at the point of sale. But taking the evidence as a whole, I am satisfied that Mrs R agreed to take the account, knowing she had a choice and that she was taking an account with benefits and an attached cost. And it was for Mrs R to cancel any existing arrangements she had which the account benefits duplicated. Mrs R might not have taken advantage of all the benefits, or needed to make a claim on the insurance benefits, this doesn't mean that the account was mis-sold.

I want to reassure Mrs R that I have looked at all the information I have about her complaint. But having done so, I don't think Santander mis-sold the Premium account to her. So I don't think it owes her any money.

### **my final decision**

For the reasons I've explained, I don't uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs R to accept or reject my decision before 28 November 2016.

Sandra Greene  
**ombudsman**