

complaint

Mr and Mrs C have complained that The Royal Bank of Scotland Plc ("RBS") mis-sold them a Royalties Gold packaged bank account in 2009. They paid a monthly fee for the account which provided several benefits in return. Mr and Mrs C have also complained that RBS has handled their complaint poorly.

background

One of our adjudicators didn't think that RBS mis-sold the packaged account to Mr and Mrs C and didn't recommend that RBS should pay them any compensation. Mr and Mrs C didn't agree so they 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. I've used this approach to help decide what to do about Mr and Mrs C's complaint.

Where evidence is incomplete and matters are in dispute, as they are here, I make my decision based on what I think is *most likely* to have happened – keeping in mind everything I've seen and been told.

After giving Mr and Mrs C's complaint a lot of thought, I don't think the packaged bank account was mis-sold to them. I'll explain why.

I'd usually start by thinking about whether Mr and Mrs C were given a fair choice to take out the packaged account. But Mr and Mrs C have said they thought the Royalties Gold account would be useful to them for the travel insurance and mobile phone insurance. So I'm satisfied that they were aware they didn't have to have it – but chose to take it for the features it offered.

Mr and Mrs C's main complaint appears to be that they weren't told there was an excess payable on any successful claims under the mobile phone insurance policy at the time the account was sold. They've also explained that when they attempted to register their phones under the policy they were told about the excess. Mr and Mrs C have also said they were told the excess on their policy was £200, which was higher than the value of their phones, so they didn't continue with the registration. The excess at the time the account was sold was £30 for the first claim, and £50 for further claims within a twelve month period

RBS doesn't have a record of the telephone conversation between Mrs C and the mobile phone insurer. But as a number of years have passed, and as RBS changed to a different mobile phone insurer in 2013, I'm not surprised.

I can't be sure what Mr and Mrs C were told about the policy excess. But I accept it's possible they weren't told that there was an excess when the account was sold, and were told – incorrectly – that the excess was £200 when they called to register their phones.

The first thing I've thought about is whether RBS' failure to point out that an excess was payable when the account was sold has caused Mr and Mrs C to lose out.

It's not uncommon for insurance policies to have an excess. And I can see from the documentation that RBS sent to Mr and Mrs C that the excess was mentioned – although not always particularly prominently. But even if Mr and Mrs C were told the right information, I still think they'd have taken the account. I say this because it's likely that the excess amount would've been lower than the value of their mobile phones.

I can't be sure when the call between Mrs C and the mobile phone insurer took place – although RBS' records suggest this could've been in July 2012. And RBS says that a mobile phone was registered against the mobile phone insurance policy before it changed suppliers in 2013, although it can't confirm the exact date. So even if Mr and Mrs C were given incorrect information about the excess, the fact that they registered a phone under the mobile phone insurance policy means they could've made a claim if they'd needed to. And at that point they'd have needed to pay the correct excess.

It's possible that RBS didn't tell Mr and Mrs C everything it should have about all of the benefits associated with the Royalties Gold account. But the account also included other benefits as well as the mobile phone insurance policy – such as travel insurance, which Mr and Mrs C said they wanted. So for the reasons I've explained I haven't seen enough to make me think that Mr and Mrs C wouldn't still have taken the account even if RBS had told them everything.

Mr and Mrs C held their Royalties Gold account until 2016. And I think it's likely the conversation about the insurance excess took place when Mrs C contacted RBS in 2012. I think it's more likely than not that Mr and Mrs C would've downgraded their account sooner than they did if they didn't think the benefits were suitable for them or didn't think the account was good value for money.

Mr and Mrs C have also complained about the service they've received from RBS whilst dealing with their complaint. They've explained the process has lasted for over two years, and RBS incorrectly closed their complaint without explaining why. Mr and Mrs C also say they asked for a copy of the Final Response letter, and RBS didn't send it to them.

I can see that RBS responded to Mr and Mrs C's complaint in August 2015. Mr and Mrs C have explained that their circumstances at that time meant they misplaced the final response letter, and then didn't follow up their complaint due to other time commitments.

It's unclear whether Mr and Mrs C didn't receive the final response letter from when they initially complained, or whether it was lost. But either way, RBS has provided a copy of the letter that it says it sent. It's addressed correctly to the address RBS had on file at the time.

I'm satisfied that RBS responded to Mr and Mrs C's initial complaint. And having looked at the history of the complaint since it was raised again in March 2017, I can see that RBS did promise to contact Mr and Mrs C within ten days of acknowledging their complaint, and I can't see that this happened. But I can see it issued a response to the complaint within the eight-week timeframe that it should've – and it has provided a copy of that response. It appears from an email Mrs C sent to RBS around two weeks after this response that she didn't receive it. But I can't see this was caused by a fault on RBS' part so I can't conclude that it's treated Mr and Mrs C unfairly.

I want to reassure Mr and Mrs C that I've looked at all the information I have about their complaint. And I've thought about everything they've said. But having done so I don't think RBS mis-sold the packaged account to them or handled their complaint badly enough to warrant any compensation. So I don't think it owes them any money.

my final decision

For the reasons I've explained, I don't uphold Mr and Mrs C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs C to accept or reject my decision before 13 March 2018.

Sam Wade
ombudsman