

## **The complaint**

Mr C has complained that Barclays Bank UK PLC (“Barclays”) mis-sold him fee-paying Additions and First Additions packaged bank accounts in March 1997 and April 2005.

Mr C says that he was told he had to have an Additions account to have an overdraft. He also says that his account was changed from a fee-free account to a First Additions account without his consent.

## **What happened**

After Mr C complained to Barclays, Barclays issued its final response letter to the complaint on 21 February 2024. Barclays upheld Mr C’s complaint about the sale of the Additions account and refunded him the account fees, plus 8% simple annual interest, less any deductible tax. But Barclays didn’t uphold Mr C’s complaint about the sale of the First Additions account.

Unhappy with the outcome of the complaint, Mr C referred his complaint to the Financial Ombudsman Service.

One of our investigators assessed the complaint, but they didn’t uphold the complaint about the sale of the First Additions account. Although they did explain that further redress was due to Mr C in relation to the sale of the Additions account. As Mr C didn’t agree with the investigator’s conclusions, the matter was referred for an ombudsman’s decision.

## **What I’ve decided – and why**

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 our approach to complaints about packaged accounts on our website and I have used that to help me decide this complaint. I think it may also help to explain that where matters are in dispute and evidence is incomplete, as is the case here, I have to decide what I think most likely happened based on all of the evidence that is available. And having weighed everything up, I’ve not seen enough in this case for me to conclude that the First Additions account was mis-sold. I will explain why.

Mr C says that Barclays changed his account to a First Additions account without his consent in 2005. However, apart from Mr C’s testimony, there is very little else to support that Barclays did that. And I note that Mr C has said that he, quite understandably, has little recollection of events around that time, other than taking out a loan (which I can see he did do).

Therefore, I can’t rule out the possibility that he did agree to the account, but due to the upgrade taking place nearly twenty years ago, he now can’t remember doing so. I also note that, prior to Mr C’s account being upgraded to the First Additions account, Mr C’s account was a standard fee-free current account with an overdraft and had been for a few years. So, despite what Mr C may’ve been led to believe in 1997 when he was sold the Additions

account, I'm satisfied that Mr C was aware by 2005, that he didn't have to have a fee-paying account.

I also think it's the case that, if Mr C had not agreed to have the First Additions account and it was upgraded without his consent and it was something he didn't want, then I would've expected Mr C to have complained much sooner than 2024 i.e. nearly twenty years later. I say this especially as I can see Mr C has been sent a large amount of correspondence over the years about his packaged account. The letters and statements made it clear he was paying a monthly fee for his account and that it came with insurance benefits. Also, many of the letters invited Mr C to check that the packaged account was still suitable for his circumstances and to get in contact if it wasn't – and yet despite Mr C saying that he'd not even agreed to the packaged account in the first place, he chose to keep the account.

Mr C says he can't recall the First Additions account being sold to him, and Barclays says that it was sold on a non-advised basis. Therefore, I think the account was likely sold to Mr C on a non-advised basis. This meant that Barclays didn't have to check that the account was right for Mr C's circumstances. But it did have to give him the important information so that he could decide that for himself.

Unfortunately, due to how long ago the sale took place there is now very little evidence to indicate what information Mr C was given. However, I think it's likely that Mr C was given at least some information about the account and the benefits, otherwise I doubt that he would've agreed to it (especially as he'd held a packaged account before and that account was changed to a fee-free account). I accept that Mr C may not have been given all of the important information about the account. But I've not seen anything about Mr C's circumstances that makes me think he would've been put off from agreeing to upgrade his account, had he been given even more information about the account and the benefits it came with.

Therefore, in summary, I'm unable to conclude that Barclays upgraded Mr C's account to a First Additions account without his consent or knowledge. So, for the reasons given above, albeit on balance, I'm unable to conclude that the account was mis-sold. I therefore am unable to say that Barclays should refund Mr C the packaged account fees that he paid for the First Additions account.

Finally, turning to the earlier Additions account, since Mr C contacted this service, Barclays told us that it had mis-calculated the redress. So, I have set out below what Barclays needs to do to rectify the redress in regard to the sale of the Additions account, that Barclays had upheld.

### **Putting things right**

Barclays has offered to pay Mr C 3 x £5, which are the account fees he was charged between 1 July 1998 and 1 September 1998. Barclays has also agreed to pay Mr C 8% simple annual interest on the above fees, less any deductible tax. This will be calculated from the date of each fee to the date of settlement.

Having considered everything, I think this is a fair offer and therefore, as this has not been paid to Mr C, I require Barclays to do so as a fair way to resolve this complaint.

**My final decision**

Because of the reasons given above, I uphold this complaint in part and require Barclays Bank UK PLC to do what I have outlined above, to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 14 January 2025.

Thomas White  
**Ombudsman**