

complaint

Mr L has complained that he was mis-sold a packaged bank account by The Royal Bank of Scotland Plc ("RBS").

background

Mr L opened a fee-free account with RBS in October 1992. He upgraded this to a Royalties Gold account in December 2010.

Mr L says that he went to take out a loan in branch and was told that free accounts were being withdrawn and that everyone would have to have a packaged account. He also says that he didn't need all of the benefits.

Our adjudicator did not uphold this complaint. Mr L disagrees with this so the case has come to me to 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. Where there is limited evidence from the time of sale I need to decide what I think is most likely to have happened.

I've decided not to uphold Mr L's complaint for the reasons set out below.

Mr L has said that he was told free accounts were being withdrawn. RBS continued to offer free accounts at the time of sale and still offer free accounts now. I have considered what Mr L has said but I haven't seen enough evidence to persuade me that RBS misled him into thinking it was no longer offering free accounts. Free accounts were also widely available in this country at the time and I think Mr L is likely to have been aware of that. I think that Mr L is likely to have known that he could have kept his fee-free account and there isn't enough evidence for me to find that he wasn't given a fair choice.

I can see that Mr L applied for a loan at the same time as he upgraded his account. One of the benefits of the Royalties Gold account at the time was that Mr L would receive preferential rates on loans. So I think this may have been what attracted him to the account and why he agreed to pay a fee for it, although he may have forgotten about this later, which is understandable due to the passage of time.

Having considered the evidence, I don't think RBS assessed Mr L's circumstances in any detail or gave him a personalised recommendation to take the Royalties Gold account. So it seems to me that the sale was conducted on a non-advised basis. This means RBS didn't have to assess the suitability of the account for Mr L. But it still had to provide clear enough information about the account so that Mr L could decide for himself whether he wanted it.

Packaged bank accounts are rarely tailored to the individual so it's unlikely that every customer will find every benefit useful. It was for Mr L to decide whether the benefits, as a package, were attractive to him for the cost. I think it is likely that Mr L was made aware of the main benefits of the account when he took it out and that some of them were of interest to him at the time – particularly the preferential loan rates - although he may have forgotten about these later. The fact that Mr L didn't use all of the benefits doesn't mean the account was mis-sold. And I've seen nothing to suggest he couldn't potentially have benefited from the account as a whole.

Mr L complains that he couldn't use the breakdown insurance because he had a motorcycle. But he says he found out about this a while ago. So I think Mr L was aware of the limitations of the breakdown cover. As set out above, I also think he would have been aware that he could have gone back to a free account if the Royalties Gold account didn't meet his needs but he kept it after he became aware that he couldn't use the breakdown cover for his motorcycle. So I don't think Mr L would have acted any differently had he been given any more information about the breakdown cover at the time of sale.

I accept it's possible that RBS didn't give Mr L all of the information about the account that it should have. But I don't think there is anything about the account which he wasn't told which would have put him off taking it if he'd known about it. And I don't think Mr L has lost out because of anything RBS might have done wrong.

my final decision

For the reasons given above, I do not uphold the complaint or make any award against The Royal Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L to accept or reject my decision before 4 December 2015.

Rachel Ellis
ombudsman