

## **The complaint**

Mr and Mrs C have complained that Barclays Bank UK Plc ("Barclays") mis-sold them a fee-paying Additions Plus packaged account in July 2007.

They say that they were persuaded that it was the best account to have when they were closing down an existing account. Mr and Mrs C say they were not given the option of an alternative fee-free account.

## **Account history**

Mr and Mrs C's account history is as follows:

- Opened as a fee-free account June 2007
- Upgraded to a fee-paying Additions Plus account July 2007
- Account migrated to a fee-free account, that included fee-paying Tech and Travel Packs that could be opted out of January 2017

## **What happened**

Barclays initially said that Mr and Mrs C had complained too late for our service to be able to consider this complaint.

One of our adjudicators explained that she thought that Mr and Mrs C had complained within the time limits that apply when using our service. As we didn't receive any objection to this from Barclays, the adjudicator then went on to assess the merits of the complaint.

In summary, the adjudicator didn't think that the account had been mis-sold.

Mr and Mrs C disagreed with the adjudicator's assessment, so 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. And having considered everything, I don't uphold this complaint.

Mr and Mrs C say that they were not provided with any other option. Barclays has explained that the joint account was initially opened as a fee-free account – albeit for a very short period of time - before it was then upgraded to being an Additions Plus account. Barclays has also explained that Mrs C held a sole Additions Plus account prior to the sale on the joint account. When the joint account was upgraded, Mrs C downgraded her sole account to a fee-free account.

So taking all of the above into consideration, I'm satisfied that Mr and Mrs C were aware fee-free accounts were available to them. I say this as Mrs C had a fee-paying packaged account and was able to downgrade that to a fee-free account and continued to hold the fee-free account after the sale of the joint packaged account.

In my view, it seems most likely the case that Barclays suggested they transfer the package account from a sole account to a joint account so that they could both benefit from the features of the account, but for no extra cost (as the monthly fee is the same whether it is a sole or joint account).

Mr and Mrs C also say that the Additions Plus account was mis-sold as they say they were persuaded to take out the packaged account.

Due to the lack of evidence from the time, it's difficult to know whether the account was sold on an advised, or non-advised basis. All I know was that the upgrade took place in branch. But even if I concluded that the sale took place on an advised basis, I still don't think the account was mis-sold.

Where a package account is sold on an advised basis, this means that the business selling the product is required to check that it is appropriate for the account holders' circumstances. In this case, in 2007, the Additions Plus account cost £14.50 per month and provided benefits such as worldwide travel insurance, breakdown cover and mobile phone cover, amongst other benefits.

Barclays has provided evidence to show that Mr and Mrs C registered at least one phone, with the phone being registered not long after the sale. Barclays has also provided evidence to show that Mr and Mrs C occasionally travelled abroad, and made a claim on the travel insurance in March 2011.

Based on what I have seen, I think that if Barclays had recommended the Additions Plus account to Mr and Mrs C, it seems to have been appropriate as Mr and Mrs C were able to make use of at least some of the benefits. And whilst it may be the case that Mr and Mrs C didn't need all of the benefits, as it was sold as a package, that meant that Mr and Mrs C were unable to pick and choose what it came with.

As well as making sure the account was a reasonable fit for Mr and Mrs C's circumstances, Barclays also had to give Mr and Mrs C important information about the account so that they understood what they'd agreed to.

Again, due to the timescales involved, I can't say with any certainty what information Mr and Mrs C were actually provided with during the sale. But that being said, I think it's likely that they were given at least some information about the features of the account. For example, they knew how to register phones under the mobile phone insurance cover and how to make a claim for the travel cover too.

I'm also mindful that Mrs C had already held the Additions Plus on her sole account, so I think it's likely she had a good appreciation of what it included. And I doubt Mrs C would've agreed to add the Additions Plus package to her joint account if she didn't want it, bearing in mind she'd arranged to remove it from her sole account around the same time, and so was clearly aware that it was optional. And based on everything I have seen on this complaint, including Mr and Mrs C's circumstances at the time, I think it's likely that Mr and Mrs C would not have been put off from agreeing to the upgrade had they been given even more information about the account.

Because of these reasons, I don't think that the Additions Plus account was mis-sold.

I understand that in 2017, Mr and Mrs C's account was changed to a fee-free account and fee-paying Tech and Travel Packs were added to the account instead. As the change to the account in January 2017 was a migration, rather than the sale of a new account, I think that it was not unreasonable for Barclays to do this on an 'opt out', rather than 'opt in' basis. I say this as the Packs were essentially introduced to replace similar existing insurance benefits that account holders were already paying for under the Additions Plus account.

Barclays was able to make such changes to the Additions Plus account - but only if it gave sufficient notice to all affected account holders. This was to ensure account holders had sufficient information and time to understand what changes would be made to their account. And to ensure account holders understood what options were available to them. I have therefore considered whether Barclays gave Mr and Mrs C sufficient notice of the migration that took place on his account.

Barclays wrote to Mr and Mrs C on 29 September 2016 to inform them that the Additions Plus package was being removed and explained that the account would be changing in January 2017. Included with this letter was a summary of all the benefits that will be removed. It also explained what benefits will continue, via the Tech and Travel Packs and how to opt out if they didn't want the Packs.

Barclays then wrote to Mr and Mrs C again, this time on 20 January 2017. This letter confirmed that Mr and Mrs C's account had been changed to a fee-free account that included fee-paying Tech and Travel Packs. The letter explained that Mr and Mrs C will be charged £18 per month, for the two Packs and provided a summary of the insurance cover that was included with the Tech and Travel Packs. The letter invited Mr and Mrs C to check whether the account and the benefits were still right for them, and if not, to contact Barclays by phone or in branch.

Having looked at copies of the letters that Barclays has provided from its system records, they look to have been correctly addressed. So overall, I think it's more likely than not that they were sent to Mr and Mrs C. And given the dates of the two letters, I think Barclays gave Mr and Mrs C a reasonable amount of time, so that they could decide what to do, before the changes to the account were due to take place.

Therefore, I'm satisfied that Barclays had done what it was required to do in terms of informing Mr and Mrs C about the changes that were taking place on their account and explaining what their options were.

So, taking everything into account, I don't think that the Additions Plus account, or the Tech and Travel Packs that later took its place were mis-sold.

### **My final decision**

Because of the reasons given above, I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 6 October 2023.

Thomas White  
**Ombudsman**