

The complaint

Mr and Mrs D have complained that Barclays Bank UK PLC ("Barclays") mis-sold them a fee-paying Premier account in June 2009.

Mr and Mrs D say that they only agreed to the account because Barclays told them that they had to have it, due to Mr D's level of income.

What happened

Mr and Mrs D's account had been a fee-free Premier account previously, from January 2004, it was then changed to being a fee-paying Premier Life account in June 2009.

One of our adjudicators assessed the complaint and they didn't think that Barclays had mis-sold the account to Mr and Mrs D. Mr and Mrs D disagreed and asked for an ombudsman to review their complaint.

Mr and Mrs D have also mentioned that they are unhappy that their account was closed in 2015. But as our adjudicator has explained, if they remain unhappy with this, they would need to refer their concerns to Barclays to allow it to investigate matters first, before we could consider that issue. So, this complaint will only be addressing the sale of the Premier Life account.

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 how we handle complaints about packaged bank accounts on our website. And I've used this approach to help me decide Mr and Mrs D's complaint.

I think it will be helpful to explain that 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 by both parties. And having weighed everything up, I don't think Barclays mis-sold the Premier Life account.

Firstly, I have considered whether Mr and Mrs D were given a fair choice in taking out the account.

Mr and Mrs D say that they were told that due to Mr D's income they were told that they would have to agree to a fee paid account. Mr D initially said that this happened when he was 29 but that does not line up with when the Premier Life account was sold. What I think Mr D recalls is the change from his standard Barclays account to the fee-free Premier account in January 2004. I say this because the fee-free Premier account was only available to people with a certain level of income. I also can't see that Mr D's income changed that significantly at the time the Premier Life account was taken out. I find it unlikely that Mr D would have thought that, due to his level of income being high, he was being penalised and needed to upgrade his account yet again, but this time to an account that incurred a monthly fee.

If there was any discussion about level of income at the time of the sale of the Premier Life account, I think that it would most likely relate to the fact that there was a discount to the monthly fee for the Premier Life account if an account holder paid a certain amount of money into the account. I can see that Mr and Mrs D were eligible for this and benefited from it.

Mr and Mrs D used the account benefits shortly after the account was taken out - such as using the lounge pass benefit, the breakdown cover and registering for the gadget cover. So overall, I think that Mr and Mrs D took out the Premier Life account because of the benefits that it came with, rather than because they thought they had to have it.

From my understanding of Barclays' sales processes, the account would have likely been sold on a non-advised basis. So it would not have been personally recommended to them. But given that the main benefits at the time the account was taken out were breakdown cover, Travel insurance and Home emergency cover and it seems that Mr and Mrs D did travel, owned a home and made a claim on the breakdown cover, if this account was recommended to them, it would not have been an unreasonable recommendation.

Therefore, I think it's likely that Barclays gave Mr and Mrs D some information about the account benefits during the sale, and it was those benefits that in all likelihood attracted Mr and Mrs D to the account. I accept it's possible that Barclays didn't give Mr and Mrs D all of the information it should've about all of the other benefits the account came with. But I've not seen anything about their circumstances that makes me think they would've been put off from agreeing to the account, had they been given more information about it.

I appreciate that with the benefit of hindsight, Mr and Mrs D may now think that that Premier Life has been poor value for money. But that in itself doesn't mean that the account was mis-sold. And so, taking everything into account, I don't think it's likely that Barclays mis-sold the Premier Life account to Mr and Mrs D. As such, I don't think it would be appropriate to require Barclays to refund the account fees that Mr and Mrs D have paid for the Premier Life account.

I appreciate that this will come as a disappointment to Mr and Mrs D. But I hope I have been able to explain why I don't think the Premier Life account was 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 D and Mrs D to accept or reject my decision before 23 November 2023.

Charlie Newton
Ombudsman