

## **The complaint**

Mr M complains that Bank of Scotland plc, trading as Halifax, hasn't treated him fairly in relation to a current account cashback rewards scheme.

## **What happened**

Mr M holds a current account with Halifax.

Halifax runs a rewards scheme called "Cashback Extras". The scheme provides customers with the chance to earn cashback on offers from selected retailers. Customers are required to 'activate' an offer from a retailer, then pay that retailer via their Halifax account, to earn cashback.

Mr M took out a contract with a well-known pay-TV broadcaster and thought that, by doing so, he'd receive around £70 from the Cashback Extras scheme. But that isn't what happened. Mr M called Halifax to complain, he had to spend quite some time on the phone – which Halifax apologised for and said it would cover his call costs.

Unfortunately, things weren't resolved, and Mr M contacted our service. We asked Halifax what happened, and it acknowledged that it hadn't yet provided Mr M with a clear explanation for why his cashback claim was unsuccessful.

Halifax clarified that Mr M hadn't made any payments to the retailer from his Halifax account. So, he wasn't eligible for cashback. It offered Mr M £25 in compensation as an apology for not explaining things sooner. Additionally, Halifax said that if Mr M could evidence payments to the retailer from his current account then it would be happy to reconsider its position.

An investigator here looked at what had happened. In short, she didn't think Halifax had done anything wrong. The bank had demonstrated that Mr M hadn't made a payment to the retailer in question from his Halifax current account, which was a condition of the scheme, and that meant he didn't qualify for cashback. In fact, she noted that Mr M had said himself how he'd changed his payment instruction, so that his payments were sent to the retailer from an account he held with another bank.

With all of that in mind, it didn't seem unreasonable to the investigator that cashback hadn't been paid to Mr M on this occasion. She also thought it was fair of Halifax to be open to discussing the matter further with Mr M. Lastly, she felt that £25 was a fair and reasonable offer of compensation to reflect the inconvenience Halifax had caused him.

Mr M disagreed, and he asked for an ombudsman's decision. As no agreement has been reached, the complaint has been passed to me to decide.

## **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.

There's very little I can add to what our investigator has already explained to Mr M. Simply put, there's nothing to suggest that he qualifies for a cashback payment on this occasion.

From what I can see, he didn't make the required payments to the specific retailer in question from his Halifax current account. There's nothing in his account statements to show that he did, and he himself has said that he moved his payment instruction to another account which he holds at another bank.

As I understand it, the rules of the Cashback Extras scheme require payments to be made to retailers from a Halifax account. Given that hasn't happened, it doesn't seem unreasonable that Mr M hasn't been paid cashback on this occasion.

I think it's fair that Halifax remains open to discussing this matter with Mr M, should he be able to provide anything which shows he *did* make the required payments to the retailer from his Halifax account. And I think it's right too that the bank acknowledges it could've handled things better in terms of the service it provided. Both of which it's done.

Overall then, I'm satisfied that Halifax has acted both fairly and reasonably by covering the costs of Mr M's calls, offering £25 in compensation for poor service and remaining open to discussing the cashback matter with Mr M.

### **My final decision**

Bank of Scotland plc, trading as Halifax, has already made an offer of £25 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that Bank of Scotland plc, trading as Halifax, should pay Mr M £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 April 2023.

Simon Louth  
**Ombudsman**