

The complaint

Mr D complains that Santander UK Plc did not pay him a switch incentive he was entitled to, and they provided him with poor customer service.

What happened

Mr D says that he visited a third party website which offered him a £170 incentive for him to switch his current account from his existing third party provider to Santander. But the switch had been stopped and he didn't receive the £170 incentive, despite him getting assurances that this would be paid. Mr D made a complaint to Santander.

Santander did not uphold Mr D's complaint. They said he was advised during a telephone call with them on 27 September 2022 that the switch had been stopped by the sending bank and as such he would need to contact them to understand why this happened. They confirmed this information was correct and they were unable to comment further as they didn't know why the switch had been cancelled. Mr D brought his complaint to our service.

Our investigator said that the evidence showed Mr D's third party bank had stopped the switcher progressing and not Santander. He said that as no switch was completed, no linked incentive could be considered for payment. Our investigator said there were times Santander provided incorrect information to Mr D regarding the status of the switch which caused unnecessary confusion, so he partially upheld Mr D's complaint and recommended compensation of £50.

Mr D asked for an Ombudsman to review his complaint. He said he switched after visiting the third party website, so Santander were duty bound to pay the £170 switch incentive. He said on several occasions Santander lied to him and caused him lots of problems, therefore the £50 compensation should be higher.

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.

The evidence shows that Mr D's third party bank stopped the switch from progressing on 8 August 2022. This prompted Santander to write to Mr D on the same day to inform him that the third party had stopped the switch and he needed to talk to them before they can provide the information Santander requested from them.

So I've considered whether Mr D should be still eligible for the £170 incentive that he says Santander are duty bound to pay him based on the third party website he visited to initiate the switch. To see whether Santander were duty bound to make the incentive payment I've looked at the Santander switcher cashback terms and conditions. Section 2.3 of these terms and conditions state that "*Within 60 days of you instructing us to start the switch to the Qualifying Account, you will also need to have: 2.3.1 successfully completed the switch, which includes closing the account not held with us*". So as the switch was not successfully completed due to the third party bank stopping the switch, that is why Santander would not

be duty bound to pay Mr D the £170. As they have acted within the terms and conditions of this offer, that is why I won't be asking Santander to make this payment to him as the conditions of the incentive weren't met.

I've considered what Mr D has said about the £50 compensation not being enough. Santander let Mr D down on more than one occasion with their communication – or lack of communication with him about the switching process. For example, they emailed him on 23 September 2022, and they told him that they experienced a technical error due to a bank holiday and as a result the switching process was impacted. The email also stated they were contacting all impacted customers to confirm when the switch would complete.

But Mr D didn't receive contact about when the switch would complete, as he was not affected by the switching technical error. It was not the result of an error which resulted in his switch not being completed, as it was the third party bank stopping it which was the cause of his account not being switched. So Mr D was inconvenienced by having to contact Santander about the email. When Mr D was on the phone, he asked for a call back and he was told a manager would ring him back within 24-48 hours, but I've seen no evidence that this happened. So I'm satisfied that compensation is due to Mr D here.

But compensation is a discretionary remedy that we sometimes award if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event. When we recommend compensation, it is often modest and within our established guidelines. I'm persuaded that £50 compensation is proportionate for what happened here as Mr D was inconvenienced by the communication and the lack of communication from Santander. So it follows I intend to ask Santander to put things right for Mr D.

Putting things right

Our investigator suggested that Santander pay Mr D £50 for inconvenience, which I think is reasonable in the circumstances.

My final decision

I uphold this complaint in part. Santander UK Plc should pay Mr D £50 for inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 26 May 2023.

Gregory Sloanes
Ombudsman