

The complaint

Mr B complains that TSB Bank plc hasn't paid him an incentive payment when he used the Current Account Switch Service (CASS).

What happened

From 10 July 2023 to 18 August 2023 TSB promoted a £200 account switch offer to new customers. The incentive was payable in two parts. To qualify for the first part of the incentive - £125, the customer needed to: open a Spend and Save account between the above dates; log into the TSB Mobile Banking App; make at least one debit card payment; and, have two active Direct Debits by 31 August 2023.

Mr B opened a Spend and Save account on 19 July 2023. He says he wanted to make sure he could access on-line banking initially - to check any funds he transferred into the account arrived safely. But he says he encountered issues when setting up on-line banking which prevented him from meeting the terms of the incentive offer. So, he complained to TSB. He said that he had made every attempt to meet the terms of the incentive offer so thought TSB should honour the incentive payment and pay an additional £100 compensation for the inconvenience experienced with on-line banking.

TSB didn't uphold the complaint. It said Mr B needed to set up two direct debits to qualify for the incentive which he hadn't done. And, as the direct debits needed to be set up using a mandate rather than on-line banking, it didn't agree that any the issues Mr B experienced using on-line banking impacted his ability meet the incentive criteria.

Unhappy with the response Mr B referred his complaint to this service. Our investigator also thought that Mr B hadn't met the terms of the incentive offer. She pointed out that he hadn't used the debit card which was also part of the incentive criteria. So, she didn't think that TSB needed to pay Mr B the £125 incentive offer. But she was persuaded that Mr B had suffered some inconvenience trying to access on-line banking. And she recommended that TSB should pay him £100 compensation.

Both Mr B and TSB didn't accept this outcome. Mr B said the direct debits were set up on time and he couldn't use the debit card as he couldn't access on-line banking to transfer money into the account. TSB said there was no evidence of the problems Mr B had said he experienced logging into on-line banking.

As agreement wasn't 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.

Having done so, I've reached the same overall conclusion as the investigator, I'll explain why.

Did Mr B meet the terms of the incentive payment when he switched his account?

The qualifying criteria set out above for the switch incentive are not in dispute. TSB has provided evidence that Mr B's direct debits weren't set up until 30 September 2023. And the debit card wasn't used within the required timescales. So, I'm satisfied the criteria for the incentive payment weren't met.

So, I've thought about what Mr B has said in relation to not being able to access on-line banking and that this prevented him from meeting the incentive criteria. However, I don't find that access to on-line banking prevented Mr B from setting up his direct debits or transferring money into his account.

To enable a direct debit to be set up, Mr B would have been required to sign a direct debit mandate with the business to which the direct debit payment was due. And that business would then use an automated process known as the Automated Direct Debit Instruction Service (AUDDIS) to activate the direct debit. And while I accept that Mr B couldn't use his debit card until he'd transferred money into the account, the transfer in would have had to be authorised from the account Mr B was transferring from.

I appreciate that Mr B wanted to access to on-line banking so he could monitor the account to ensure any money transferred in had been successfully received. But Mr B could have checked his account via other methods – for example, in branch or over the telephone. Overall, I don't find that any on-line banking issues Mr B experienced prevented him from meeting the incentive criteria. So, I'm not going to tell TSB to pay Mr B £125.

On-line banking issues

TSB has said there is no evidence that Mr B was experiencing problems with on-line banking. It says it has no record of Mr B contacting it about it until he raised his complaint. And when it investigated the complaint, it couldn't find any on-line banking log in attempts. But Mr B has provided some evidence to this service. This includes an email from 'dontreply@tsb.co.uk', which is addressed to the same email address we hold on our systems for Mr B.

The email says: *'We've temporarily suspended your access to internet banking. Your password and/or memorable information were entered incorrectly several times, so we need you to update your security details'*.

Mr B says that when he tried to reset his security details he was prompted to re-register. And when he tried to re-register, the system said he was already registered. And Mr B has provided screenshots of TSBs system in support of what he says happened.

While I don't find that on-line banking issues prevented Mr B from being able to meet the switch incentive, I am persuaded that Mr B did encounter some on-line banking issues. So, I'm persuaded that a compensation payment is due for the inconvenience caused to him. Overall, I find the £100 compensation payment recommended by the investigator to be fair. This recognises the inconvenience the on-line banking issues Mr B encountered, but also takes into account that I think Mr B would have most likely been able to contact TSB relatively quickly to resolve the problem, but I haven't seen anything to suggest he did so before raising the complaint.

My final decision

For the reasons given above, I uphold this complaint.

TSB Bank plc should now pay Mr B £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 March 2024.

Sandra Greene
Ombudsman