

The complaint

Mr B is unhappy that Nationwide Building Society has refused to pay him two separate reward amounts.

What happened

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail here. But, in summary:

- Mr B says he received a letter from Nationwide which said he was eligible to receive £100 under its Fairer Share Scheme. But he later found out that the activity on his current account didn't meet the eligibility criteria so he would not receive the scheme reward. He says he was told that some letters confirming eligibility had been sent by mistake. He thinks he's been treated unfairly and wants Nationwide to pay him the £100 reward.
- Mr B wanted to take advantage of the £200 account switching incentive. He asked the society about this in the same call that he made to query the whereabouts of the £100 Fairer Share Scheme reward. He says the call-handler gave him insufficient information about the eligibility criteria for the switching incentive and it turned out he wasn't eligible for this because he had fewer than two direct debit instructions in place when he instigated the switch. He thinks he's been treated unfairly and wants Nationwide to pay him the £200 switching incentive.
- Nationwide refused to pay either reward and told us separately that it didn't think complaints about its Fairer Share Scheme, such as Mr B's, were ones we could consider.
- Our Investigator told Mr B that we couldn't consider his complaint about Nationwide's refusal to pay him the Fairer Share Scheme reward. And she couldn't fairly recommend that Nationwide should pay the £200 switching incentive because Mr B should have read the terms and conditions which explain the eligibility criteria.
- Mr B didn't accept the investigator's findings, so the complaint has come to me to review afresh.

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, and while I realise this will disappoint Mr B, I've come to the same outcome as the Investigator for much the same reasons.

The Nationwide Fairer Share Reward

We can't consider all of the complaints referred to us. The rules under which we operate provide that we can only consider complaints that fall within our jurisdiction. Those rules can be found in Dispute [DISP] Resolution Chapter 2 of the Financial Conduct Authority's handbook of rules and guidance.

For Mr B's complaint to be one I could consider it would need to relate to an act or omission by Nationwide in carrying on one of the activities covered by our jurisdiction.

The Fairer Share Scheme terms and conditions explain Nationwide is sharing some of its profits with its members based on certain criteria being met. So the nature of the Scheme is that it's a profit distribution mechanism from Nationwide to its members (and customers), rather than a financial service as such.

Distributing profits isn't one of the activities listed in our rules. Nor is it one of (or part of) the "regulated activities" referred to, which include "accepting deposits" and/or "payment services." Nor is it an "ancillary activity" to an activity we can consider complaints about

Nor can we consider in isolation a complaint that solely concerns how a business has responded to an enquiry about an activity that isn't covered by our jurisdiction or a complaint about such matters – complaint handling by a business isn't an activity we cover. This includes Mr B's assertion that Nationwide incorrectly sent him a letter which advised he was eligible for the reward when he was not actually eligible.

So, in summary, I can't consider any aspect of the complaint Mr B has raised about Nationwide's refusal to pay him the £100 reward.

The account switching incentive

I have listened to the call in which Mr B asked Nationwide about the £200 switching incentive. He knew it had been launched the previous week and the call-handler explained that the switch had to be done online and Mr B's existing account wasn't covered, so he'd have to open one of three different accounts. The call-handler told Mr B to go online and decide which account he wanted.

I accept the call-handler didn't tell Mr B about the need to switch across two direct debit instructions but there were also other criteria that he didn't mention. I don't think the call-handler intended to give the impression that he was giving Mr B all of the information he needed to consider before he proceeded with the switch.

I'm also satisfied that the terms and conditions clearly explain the switching incentive eligibility criteria. Nationwide says Mr B had to agree to these terms and conditions before completing the online switching process. But Mr B suggests he just ticked a box without reading this information. I can't fairly hold Nationwide responsible for Mr B's decision not to read the full terms and conditions.

In all the circumstances I can't fairly instruct Nationwide to pay Mr B the £200 switching incentive.

My final decision

For the reason set out above, my decision is that I don't have jurisdiction to investigate part of Mr B's complaint and I don't uphold the other part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 April 2024.

Ruth Hersey
Ombudsman