

The complaint

X complains that TSB Bank plc won't pay out the switch incentive when they switched bank accounts through a promotion.

What happened

In June 2024 X switched their account from Bank A to TSB. X said they previously had an account with TSB and was switching back because the Bank A banking app wasn't as good as TSB. X said TSB offered an incentive to switch of £100 plus an additional £50 three months later. X said they contacted TSB to confirm when the incentive would be paid and were told they had met the terms and conditions and they would receive the incentive by 31 July. X said this wasn't paid into their account so they raised a complaint with TSB.

In its final response TSB said as X had previously completed a switch in 2023 and had been paid incentives they weren't eligible for the current switch incentive. But it accepted it had given X incorrect information during the call and paid £25 compensation for the inconvenience. X wasn't satisfied and brought the complaint to this service. They said TSB had confirmed they'd met the requirements and had budgeted for the money going into their account.

Our investigator concluded that TSB hadn't made an error by not paying the switch incentive and thought £25 compensation for the incorrect information was fair and reasonable. X didn't agree and asked for a decision from an ombudsman. They made some additional comments to which I have responded below where appropriate.

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.

I realise this will come as a disappointment to X but having done so I won't be asking TSB to do anything further for the reasons I've outlined below.

I've read the terms and conditions of the switch. It says:

"If you've received an incentive or benefit for switching to TSB Bank plc using the Current Account Switch Service since 1 October 2022, you're not eligible for these offers."

TSB has said X was provided with the terms and conditions at the time of the switch. It said X had received switch and stay incentive payments for their prior offer on 13 September 2023 (£125) and 14 March 2024 (£75) so it would be clear they were not eligible for the payment when they applied in June 2024. I've seen a copy of X's bank statement confirming the previous switch payments. TSB said X switched the prior TSB account out in April 2024 - only 6 weeks after receiving the second incentive payment. TSB said given the close timeframes it is reasonable to expect X to have remembered they had only recently received switch incentive payments on their prior TSB account.

In their response to this service X said when they contacted TSB in good faith to confirm the timing of the incentive payment, they were not informed by the advisor that they wouldn't be eligible for the incentive. They said the advisor's responsibility was to provide accurate information, including verifying eligibility before confirming that they would receive the incentive. X said its entirely unreasonable to place the burden on themselves to mention their prior incentive when X specifically sought clarification from TSB on whether they met all the requirements. X said at no point were they made aware that their prior account closure and incentive would disqualify them from receiving this new incentive.

I've seen a copy of the chat transcript between TSB and X. I can see that the advisor listed the qualifying criteria for the switcher bonus - a list of actions required by X to open the new account and confirmed that X qualified based on those actions. The advisor then attached a link to the switcher offer terms and conditions which included the paragraph I've mentioned above. These terms are also on the TSB website.

TSB said the agent on the chat would have been unaware that X had previously received a switch incentive on a closed account as they would only be able to review the account X had recently opened with TSB. It said it would also be expected that X had read the terms before applying to ensure that they were eligible in the first place. When X initiated the chat they asked when the incentive would be paid. This suggests to me X had already applied for the switch and in doing so knew or ought reasonably to have known that they didn't qualify for the incentive due to a prior switch. I say this because in order to be aware of the switch incentive, to apply for it and to action the tasks necessary to qualify it seems reasonable that X would have read the terms and conditions of the switch as they were required to do. So I'm satisfied that X likely knew or ought reasonably to have known they weren't eligible to receive the switch incentive payments.

I'm persuaded X didn't qualify for the incentive and knew or ought reasonably to have known this prior to the chat. TSB has accepted it gave X incorrect information in the chat and subsequently paid X £25 in compensation. I consider this fair and reasonable under the circumstances.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 4 November 2024.

Maxine Sutton
Ombudsman