

The complaint

Mr L complains that Santander UK Plc didn't honour a current account switch incentive.

What happened

In May 2024 Mr L became aware that Santander was offering a £175 switch incentive if he switched an account to it. Mr L initiated an account switch which completed a few weeks later, but he didn't receive the incentive payment. Mr L called Santander and he was initially told the incentive would be paid, but ultimately, he was later told he didn't qualify for the incentive payment.

Mr L complained to Santander. It said Mr L didn't qualify for this incentive payment as he had previously benefitted from an incentive payment when he switched an account to it in November 2021. But it acknowledged that he had been given some incorrect information when he'd queried non receipt of the incentive payment and it credited his account with £30 compensation.

Unhappy with the Santander's response Mr L referred his complaint to this service. One of our investigators looked into it. But he didn't uphold the complaint. He found Santander's switch incentive terms and conditions to be clear - the incentive payment wasn't available to customers who had previously benefitted from a similar offer. And he thought the £30 compensation payment was fair for the incorrect information Mr L had been given on the phone.

Mr L didn't accept this outcome. He said the previous switch incentive he'd received related to a business account whereas this switch related to his personal account. He added that he thought Santander should have declined his application from the start rather than wait several months to tell him he didn't qualify for the incentive payment.

The investigator considered what Mr L said, but he didn't change the outcome he had reached. He said the switch incentive offer clearly stated that a customer wouldn't qualify for the offer if anyone named on the new account had previously switched an account and received an incentive payment. And that eligibility would be checked 60 days after the switch was instructed. He acknowledged that Santander had provided Mr L with incorrect information when he called it. But he remained of the view that £30 compensation was fair.

Mr L asked for an ombudsman's final decision, so the complaint has been passed to me.

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 conclusion as the investigator for the same reasons. I appreciate Mr L will be disappointed, so I'll explain why.

I've looked at information which was available to Mr L when he initiated the account switch in May 2024. The switch terms and conditions includes the following:

'You won't qualify for the switcher offer if any of these apply:

-*Anyone named on the Santander account has previously received an incentive payment to switch to a Santander current account'.*

And Santander's website also says:

'Switch using the Current Account Switch Service..... Sorry, we can't offer this if you've received a Santander switcher incentive before'.

So, I find that Santander provided enough information for customers to be aware of the qualifying criteria for the incentive payment – and it what circumstances they may not qualify.

Santander hasn't disputed that Mr L met some of the requirements of the switch incentive – he used the switch account service, he set up two direct debits and paid in £1,500. Rather, it says Mr L didn't qualify for the incentive as he'd previously benefited from a switch incentive payment in 2021.

Santander has provided its records which I'm satisfied show that Mr L switched a previous account to Santander in November 2021. And I'm also satisfied that Santander's records of Mr L's account show that he received a £130 switch incentive payment in January 2022 to an account that was in his name. So, I'm satisfied that Mr L had already benefited from a previous switch incentive and, as such, didn't qualify for the one in May 2024.

I note Mr L has said that Santander should have declined his switch application if he was ineligible for the incentive payment. But as this wasn't an advised sale, I think it was for Mr L to check if he met the criteria before he executed the account switch.

Santander has accepted it provided Mr L with incorrect information when he called to query why the payment hadn't been made. And it has paid him £30 compensation by way of an apology. I've thought about whether this is fair or if Santander should do more.

But I don't find that providing incorrect information means the correct outcome here would be for Santander to pay Mr L the incentive payment. When a business provides incorrect information, the correct remedy is to put the consumer back in the position they would have been in if the incorrect information had not been given - not in the position they would have been in had it been true.

In this case, if the correct information had been given, Mr L would have been told within 60 days of the account switch that the incentive payment hadn't been made as he didn't qualify for it as he received an incentive payment previously. But being given the incorrect information hasn't altered Mr L's position - his account had already been switched by the time he contacted Santander and his call wouldn't have changed that. So, I find £30 compensation is fair and reasonable in all the circumstances of this complaint.

Overall, I find that Mr L wasn't entitled to the incentive payment when he initiated an account switch in May 2024. Having already received a switch incentive payment in January 2022, he didn't meet the switch incentive criteria. And I find Mr L ought reasonably to have been aware of this when he applied for the switch as I've found the terms of the incentive payment to be clear. I also find the £30 compensation payment for being given incorrect information is fair. So, I won't be asking Santander to take any further action in respect of this complaint.

My final decision

For the reasons above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 December 2024.

Sandra Greene
Ombudsman