

The complaint

Mr P complains that Santander UK Plc (“Santander”) misled its customers about who would qualify for its switcher incentive. In particular, Mr P says Santander didn’t make it clear the offer was not open to customers upgrading their account.

What happened

Mr P held an existing account with Santander. In March 2024 Santander launched an account switcher offer where it would pay £185 if certain qualifying criteria were met and the offer was open to both new and existing customers. To qualify for the offer a customer needed to complete a full account switch from an external account provider using the current account switching service (CASS) to Santander within 60 days of requesting the switch process (including the closure of the old account).

Mr P wished to take advantage of this deal and so upgraded his existing 123 account with Santander.

Santander failed to make the payment and Mr P complained. Santander says to be eligible for the payment a full switch was required using CASS and moving an external bank account to it. Santander says the CASS guarantee clearly states that it makes switching from one bank or building society to another simple and stress-free. As Mr P completed an account upgrade of his existing account with Santander and not a switch he didn’t qualify for the payment.

Mr P was dissatisfied with this and so brought his complaint to this service.

One of our investigators looked into Mr P’s concerns but thought it had been made clear that the offer was a switcher offer and not an upgrade offer and that the balance from an account held externally would need to be switched to Santander to be eligible for the £185 payment.

And as Mr P had only upgraded his account and not completed a full switch, they didn’t think Santander had made an error or treated Mr P unfairly in not paying the switcher reward.

Mr P disagreed. He says this isn’t stated anywhere within the marketing literature and he wasn’t informed of this in branch. Furthermore, he says the average consumer doesn’t know the difference between an account switch or upgrade and has asked for an ombudsman’s decision.

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 considered everything provided, I’ve decided not to uphold Mr P’s complaint.

My role is to look at the problems Mr P has experienced and see if Santander has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr P in the position he would've been in if this hadn't happened - in this case direct Santander to pay him the £185 reward for switching his account.

Mr P's says Santander mislead its customers by failing to inform them that an account upgrade doesn't meet the eligibility criteria for the switcher payment. He says the average consumer doesn't understand the difference between a switch and an upgrade and Santander should've made this clear.

But I disagree, the offer is called a £185 Switcher offer not an upgrade offer. I think a reasonable person would understand the two are different things. A switch requires one to swap one thing for another, whereas an upgrade is an improvement on the thing you already have.

And furthermore, I think a reasonable person would likely understand that the purpose of such schemes is to attract new and existing customers and their business – in the form of active bank accounts with a balance - and not to have existing customers benefit without providing any extra funds.

The terms and conditions state that you won't qualify for the switcher offer if you switch from an account you hold with Santander. And how to benefit from the offer was explained in the notes under the switching offer where it says:

"Existing Santander Everyday Current Account, Santander Edge current account, Santander Edge Up current account, and Private current account customers, can also use the current account switch service (CASS) to transfer their balances and direct debits from bank accounts with *other providers* into their existing Santander current account to benefit from the offer."

So I think it was made reasonably clear that existing customers of Santander's can use the switch service – not an upgrade service – to transfer their balance from bank accounts held with other providers to qualify and benefit from the offer.

And as Mr P didn't do this – he upgraded his existing account with Santander instead – he didn't qualify for the payment.

I accept that Mr P only upgraded his account in order to receive the £185 payment and so he did this mistakenly. But I don't think the mistake he made was due to any error on Santander's part but rather it was Mr P's own misinterpretation.

Mr P says the staff at Santander's branch also misled him by confirming he was eligible for the switch. But this advice wasn't wrong as the offer was open to new and existing customers, so Mr P would've qualified had he switched an account from an external provider over rather than just upgrading his account.

So based on the evidence I've seen I don't think Santander was misleading in the eligibility criteria of its switcher offer or wrong to deny paying Mr P the cash payment as he failed to switch his account. And so it follows I don't uphold Mr P's complaint and don't require Santander to do anything more.

My final decision

For the reasons I've explained, I do not uphold Mr P's complaint against Santander UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 January 2025.

Caroline Davies
Ombudsman