

The complaint

Ms T complains THE CO-OPERATIVE BANK P.L.C. has failed to pay her a switch incentive – despite satisfying all the criteria and despite repeatedly telling her she had done.

What happened

Ms T says she opened an account with the Co-operative Bank and switched an account she had elsewhere over to it in October 2025. The Co-operative Bank was running a switch incentive at the time.

Ms T says she contacted the Co-operative Bank having satisfied all of the criteria to find out why she hadn't received her switch incentive. She says she was repeatedly told she had qualified but still didn't receive the switch incentive. Ultimately, she complained.

Having looked into her complaint, the Co-operative Bank said that Ms T had not in fact qualified for the switch incentive because she'd also received an incentive payment in December 2023. The Co-operative Bank said that in order to qualify for the switch incentive it was offering in September and October 2025 customers cannot have previously benefited as a new customer from any previous current account switch offers (since 1 November 2022). Ms T disagreed saying that she'd received £125 in relation to a Friends and Family incentive. She said this wasn't a switch offer. Ultimately, she complained to our service.

Following our involvement, the Co-operative Bank offered to pay Ms T £75 in compensation as it accepted its agents could have been clearer when answering Ms T's questions about why she hadn't received a switch incentive. Our investigator thought that this offer was fair. Ms T disagreed and asked for her complaint to be referred to an ombudsman not least because she didn't agree that she hadn't qualified. Her complaint was, as a result, 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.

There's no dispute that Ms T met all of the criteria she needed to in order to qualify for the Co-operative Bank's September / October 2025 switch incentive – ignoring the condition about not having received a switch offer incentive in the past. The main issue I have to decide, therefore, is whether the Co-operative Bank acted fairly and reasonably when it said it wasn't going to pay her the £175 switch incentive that she'd been led to believe she'd qualified for. Having looked at the wording of the switch incentive in question, I'm satisfied that the key issue is whether or not Ms T is caught by paragraph 1.4 in section A of the switch incentive's terms and conditions. That paragraph says:

“We will pay the sum of £100 to an Eligible Customer who meets the offer criteria and eligibility in Section A, on or after 09/09/2025 until this offer is withdrawn. In section A of these terms an ‘Eligible Customer’ means any application who:

1.4 Has not previously benefitted as a new customer from this, or any previous Co-operative Bank current account switch offers since 01/11/2022.”

I'm satisfied that Ms T not only opened a new account with the Co-operative Bank and switched an account she held elsewhere over in 2023 but also that she referred a friend to the Co-operative Bank shortly afterwards. I'm also satisfied that the Co-operative Bank was running a Friends and Family incentive at the time. Because of this, I'm satisfied Ms T received a £125 Refer a Friend incentive payment as “recommender” and “recommended”.

Based on the evidence I've seen, I'm satisfied that Ms T not only opened a new account with the Co-operative Bank in 2023 and switched to it – meaning a third party was able to claim a “recommender payment” and Ms T was able to claim a “recommended payment” – but that she also recommended a third party to the Co-operative Bank – meaning she was able to claim a “recommender payment” too. I agree with Ms T that it wouldn't be right to classify the “recommender payment” as a “benefit” from a “previous Co-operative Bank current account switch offer” as she didn't need to switch an account to receive the “recommender payment”. I don't, however, agree that the same can be said for the “recommended payment” because that did require her to switch an account she held elsewhere to a new account with the Co-operative Bank. Because of that, I agree that she has previously benefited as a new customer from a previous Co-operative Bank current account switch offer since 1 November 2022. In other words, I agree that she's not due the switch incentive this time. That doesn't mean I agree the Co-operative Bank has done nothing wrong. No-one is, however, saying that. I say that because the Co-operative Bank has accepted its agents could have been clearer when answering Ms T's questions about why she hadn't received a switch incentive.

Putting things right

The Co-operative Bank has offered to pay Ms T £75 in compensation for the distress and inconvenience caused by its agents not being as clear as they should have been. Having thought about the impact this had on Ms T, I consider that to be a fair offer. That's, therefore, the award I'm going to make.

My final decision

THE CO-OPERATIVE BANK P.L.C. has made an offer to pay Ms T £75 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that THE CO-OPERATIVE BANK P.L.C. has made an offer to pay Ms T £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 14 May 2026.

Nicolas Atkinson
Ombudsman