

The complaint

Miss M complains that Bank of Scotland plc trading as Halifax sent her an email inviting her to claim a current switching incentive but when the switch completed Miss M was told she wasn't eligible.

What happened

In March 2024, Miss M received an email from Halifax, directed to mortgage account holders, offering her a £200 incentive to close an account she held elsewhere and switch her banking into a new current account with Halifax. As Miss M was unsure whether she would qualify for the incentive she made a telephone call to Halifax to clarify this. An agent told Miss M she would qualify for the £200 incentive if she met the qualifying criteria but explained that Miss M could call the switching team to assist her on the next working day to discuss this as the team didn't work at weekends.

Miss M then completed the switching request on-line and called Halifax again on the next working day if she would receive the incentive. The agent told her that the £200 would be paid automatically with seven working days as she was eligible. When Miss M didn't get the incentive, she complained. Halifax didn't uphold Miss M's complaint as she didn't meet the qualification criteria within the offer.

Miss M brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. The Investigator thought that the second agent Miss M spoke to could've done more for Miss M. However, as Miss M wasn't eligible for the incentive in the first place, the Investigator thought it would be a fair resolution that Halifax should pay Miss M £100. Miss M asked that an Ombudsman decides the complaint and says that she feels she should be paid £200 as she switched in good faith.

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 understand that Miss M will be disappointed, but for very much the same reasons as our Investigator I've decided that Halifax should pay Miss M £100 to resolve this complaint.

The marketing email Halifax sent Miss M explained about a switch incentive targeted to mortgage customers without a current account. I'm satisfied this email clearly explains how Miss M would qualify for the incentive. In particular the email made Miss M aware she wouldn't qualify for the incentive if she'd received cashback for switching to Halifax since April 2020, or she started the switch after 8 April 2024. I understand Miss M's strong view that a marketing email like this shouldn't be sent to customers who had received a cashback payment before April 2020. However, I think it would be unrealistic for Halifax to complete an exercise to review switches each mortgage customer may have made over a four-year period. Regardless of this, the offer of the incentive was clearly explained, and I'm persuaded Miss M would reasonably have understood what the criteria was.

Miss M first called Halifax to check that she was eligible for the incentive as she was unsure. In the call Miss M mentioned she had switched her account previously within the past few years but wasn't certain when she did so. The agent said they couldn't tell Miss M at this time whether she would qualify for the incentive and explained they weren't an expert in switches and weren't fully aware of this particular incentive. The agent told Miss M that Halifax's switching team didn't work weekends and suggested that Miss M could call back and speak directly with the switching team on the next working day if she wanted to be sure she met the incentive criteria. Miss M said she wouldn't be able to do that due to other commitments.

We would expect Halifax to be able to provide Miss M with the information she required to make an informed decision at the right time. In the first call, Halifax couldn't confirm whether Miss M qualified for the incentive payment or not at the specific time that she wanted to know – but it did provide an alternative option for Miss M to obtain this information well before the incentive expired. Regardless of not knowing if she qualified, Miss M decided to start the switching process over the weekend.

In the second call Miss M had with Halifax - on the next working day – Miss M asked again if she qualified for the incentive and when she would receive it. By this time Miss M had already started the switch process and had done so without confirming her eligibility. The agent told Miss M she was eligible and that the £200 would be paid automatically, but this wasn't the case. It came as a shock to Miss M that she later found out she hadn't met the eligibility criteria and the incentive wouldn't be paid.

I'm mindful that Miss M didn't meet the qualification criteria for the incentive payment, so I'm satisfied she would never have received the £200 incentive payment. However, I've decided that a payment of £100 is fair and reasonable amount to reflect the trouble Miss M went through in applying for an account switch when she was never going to qualify for the incentive and for being incorrectly told she was eligible even after she had started her switch process.

My final decision

For the above reasons, I've decided that Bank of Scotland plc trading as Halifax should pay Miss M £100 to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 1 October 2024.

Paul Lawton
Ombudsman