

## **The complaint**

Mr T complains that Lloyds Bank PLC didn't pay him an incentive payment when he switched his current account.

## **What happened**

Lloyds offered a scheme which would pay customers £200 if they successfully switched to one of its qualifying current accounts. Mr T phoned and applied to switch his current account from his previous provider over to Lloyds. The application wasn't processed, and Mr T later attended a branch appointment to open his new account. He complained because he was unhappy the switch wasn't processed correctly, and he said he hadn't received the £200 payment for switching.

Lloyds said that when Mr T phoned, the advisor could only offer the Classic or Club Lloyds accounts and neither of these met the criteria for the £200 incentive. It said there was no mention of the incentive during Mr T's branch visit. It also said it didn't know why the original request to switch Mr T's account didn't go through, but it paid Mr T £125 to compensate for the error and the inconvenience caused.

Mr T brought his complaint to our service and our investigator didn't think it should be upheld. She said during the sales telephone call there wasn't any mention of the £200 switch incentive. Our investigator didn't think Lloyds had made an error. In her view, Lloyds hadn't given Mr T any misleading information that might have made him believe he would receive the £200 incentive. Our investigator also thought it was fair Lloyds paid Mr T £125 compensation for the error it made when he initially applied to switch.

Mr T didn't accept our investigator's opinion, and he said there would have been no point sending £50,000 to his new account without there being an incentive. He also said he wasn't aware the incentive didn't apply to all accounts.

As an agreement couldn't be reached, the complaint was passed to me to decide.

## **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 outcome as our investigator and for similar reasons.

Lloyds has shown that in order to be eligible for the incentive, a customer would need to switch from their existing provider to a qualifying Lloyds current account. Lloyds didn't pay the incentive to Mr T as the account he opened didn't meet the criteria for the switch offer, and I don't think its decision was unfair or unreasonable. I'll explain why.

I have listened to the initial sales telephone call, and I'm satisfied that Mr T didn't tell the adviser he wanted to switch to take advantage of the switch offer. I've also read a summary of the meeting in branch, and I'm not persuaded Mr T informed the advisor of his interest in

the incentive payment. So, I don't find it unreasonable that they didn't inform him the account he applied for wasn't eligible for the £200 incentive.

Additionally, I find the accounts which qualified for the incentive are fee paying accounts and include benefits of travel insurance, breakdown cover and mobile phone cover. And I've noted from the call recording that when asked, Mr T confirmed that he wouldn't qualify for the travel insurance due to his age and didn't require breakdown cover. Therefore, as the qualifying accounts incurred a cost for benefits Mr T has said he didn't need, I find it reasonable that he was not offered these accounts during the initial sales call.

I appreciate Mr T says he wasn't aware the incentive didn't apply to every current account Lloyds offered, and I can understand why he feels it was pointless switching accounts, but I'm not persuaded this means Lloyds must pay him the £200 incentive. Ultimately, I don't find it gave Mr T incorrect or misleading information.

However, Lloyds acknowledged it didn't process Mr T's application when it should have. I find this was rectified in good time once he made it aware of the issue, but it did require Mr T to visit his local branch, which I think was an unnecessary inconvenience. Lloyds paid him £125 compensation and I think that's fair in all circumstances. So, I won't be asking it to do anything more.

### **My final decision**

For the reasons mentioned above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 31 August 2023.

Oluwatobi Balogun  
**Ombudsman**