

The complaint

A company which I'll call 'N' complains that The Royal Bank of Scotland Plc ('RBS') treated them unfairly when they switched their current account and didn't receive the expected incentive payment.

The complaint is brought on N's behalf by one of their directors, Mrs S.

What happened

N told us:

- They had an account with RBS but switched to another lender after being offered £1,250 as an incentive to move banks through the Business Banking Switch Scheme ('BBS').
- They were told that they would receive the incentive payment four months after the switch had taken place, but it wasn't received.
- RBS said that they hadn't received the incentive as they hadn't moved their main account, which isn't true. This is the account where their direct debits were paid from, any other accounts they held were savings accounts.
- RBS then said the marketing material issued was relating to another account held by the company, but this wasn't mentioned anywhere. They also said that RBS had been aware of their account involved in the switch and confirmed by letter that they'd receive the incentive if the switch took place prior to 30 Jun 2021.
- They'd been misled by RBS, caused inconvenience, and now had to pay an account fee with the new lender when their previous account with RBS was free.

RBS told us:

- N would have received notification of the account which had been identified as the switching account in the marketing communication. The information to explain what constituted the required switching account was also confirmed within its frequently asked questions ('FAQ's')
- N didn't receive the incentive as they didn't switch the primary account which was quoted in the marketing material.
- It acknowledged it hadn't responded to N's enquires quick enough and its customer service had been below the level expected, so it had apologised and paid £150 for the inconvenience caused.

Our investigator didn't recommend the complaint be upheld. She said that the BBS required N's primary account to be switched, and although N had given the account number which had been opened first, this wasn't their primary one. The investigator also said that based on the evidence she'd seen, she thought it was likely the correspondence from RBS would have contained the account number that needed to be switched. She also acknowledged that RBS's customer service could have been better, but she thought its payment of £150 compensation was enough to put things right.

N didn't agree and asked for an ombudsman to review their complaint.

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 decided not to uphold it. There's not much more that I can add to what the investigator has already said. N says that there wasn't an account number on the incentive switch paperwork from RBS, so they feel it was unfair they weren't paid the incentive. But I'm not persuaded that's the case. Although RBS hasn't been able to provide a copy of the exact letters that N was sent, it has provided a generic copy of the information that would have been sent in the marketing correspondence. This shows that N would have needed to enter the sort code and account number which RBS stated was the switching account to be able to access the incentive. I've also seen that under the BBS requirements, an account number would have needed to be provided to N on the documentation to show it was eligible.

N says they only had one current account with RBS and that was the account number they provided. They also believe that if they'd entered the wrong number this should have been flagged by the bank and said that they asked RBS whether or not they needed to move their other accounts to benefit from the incentive. However, RBS has told us that there wasn't a restriction on the account number used for the next stage of the switching process after the customer had applied using the initial details provided for the incentive. This was reliant on the customer inputting the account information they wanted to switch, and there was no way for it to reject the application based on the account information input by the customer - as the bank wouldn't have known if this had been done in error as the service provided is the same for all switching requests.

I acknowledge that N says the account they switched was their main account, and therefore this should have been the one used by the bank. However, the scheme had criteria that needed to be met for an account to be eligible. I've looked at the FAQ's provided under the scheme and I think these were clear about what constituted as the qualifying primary account i.e. the one that had received 50% of the credit transactions in the last 12 months. The bank has provided statements showing the transactions through N's accounts and based on what I've seen I don't think the account switch requested by N met the scheme criteria.

I also recognise that N says it asked RBS if it needed to switch all its accounts. However, I think it's worth noting that the primary switch account detailed in the incentive wasn't a savings account, but another current account. And N didn't need to switch all its accounts to benefit from the incentive – only the one which met scheme requirements. So I can't reasonably say RBS treated N unfairly here.

It's clear that N was caused inconvenience by RBS's actions when they tried to discuss the incentive and were either unable to get the information they wanted or were unable to speak to the bank over the phone. However, I can see that RBS has apologised for the issues N experienced and paid them £150 compensation for the inconvenience caused. So I think the bank has done enough to put things right and I won't be asking it to do anything more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask N to accept or reject my decision before 11 October 2023.

Jenny Lomax

Ombudsman