

The complaint

Mr B complains that HSBC UK Bank Plc trading as first direct (First Direct) didn't honour a current account switch incentive payment.

What happened

In October 2024 First Direct was offering a £175 switch incentive payment to customers switching their bank account to it. The process involves the customer opening a new account with First Direct and then switching their existing account to the new account using the Current Account Switch Service (CASS). In addition, the customer is required to meet various other criteria – for example: paying in £1,000, switching two direct debits or standing orders to the new account via CASS and using the debit card five or more times – all within 45 days of the new account being opened.

Mr B opened a new account with First Direct on 30 October 2024. But he says he had to wait for the debit card to arrive before he could meet the criteria of the switch. As a result, he says he wasn't given enough time to meet the other criteria within 45 days of opening the new account.

Mr B contacted First Direct to discuss the matter and complain. First Direct said Mr B didn't qualify for the switch incentive payment as he hadn't met the criteria and it hadn't made an error so didn't uphold his complaint.

Unhappy with First Direct's response, Mr B referred his complaint to this service. One of our investigators looked into it. But she didn't uphold the complaint. She found that Mr B hadn't met the required criteria within 45 days of opening his account with First Direct.

Mr B didn't accept this outcome. He said First Direct hadn't taken any action or explained what had happened to his original debit card.

The investigator considered what Mr B said, but she didn't change the outcome she had reached. So, the complaint has been 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, while I acknowledge Mr B will be disappointed, I've reached the same conclusion as the investigator for broadly the same reasons. But I will provide some further context to explain why.

I've looked at information which was available to Mr B when he opened the new First Direct account. The switch terms and conditions – which were set out in the incentive advertisement and likely to be in the welcome email sent to customers upon opening their new account, include the following:

Switch criteria

To be eligible for this offer you must:

- open a 1st Account on or after 9 September until the offer is withdrawn.

Within 45 days of us opening your 1st Account you must:

- switch your everyday banking to us using the Current Account Switch Service (CASS). Your switch must include at least two Direct Debits or Standing Orders.
- Pay in a minimum of £1,000. This amount can be paid in all at once or at different times within the 45 days.
- Make at least 5 debit card payment transactions, including where you have set up your card on third party payment platforms.
- register and log into our App or Online Banking.

Overall, I think First Direct provided enough information so that customers should be reasonably aware of all the criteria that had to be met and by when to qualify for the incentive.

It's not in dispute that Mr B didn't meet the criteria as set out above, so – on this basis, I'm satisfied he didn't qualify for the incentive payment. However, I have gone on to consider whether First Direct allowed Mr B sufficient time to complete all the steps required in the switch criteria.

Firstly, I should explain that a bank isn't required to offer incentive payments like this. But when they do, the purpose is to attract new customers to bank with them. And it's for the bank to decide what the criteria is and when this must be completed by. Our service doesn't have the power to change that.

It's not in dispute that Mr B opened the First Direct account on 30 October 2024. This meant all the criteria had to be met by 14 December 2024. Mr B says there was a delay in him getting his debit card and he needed to request this again. So he is suggesting this didn't allow him enough time to complete the switch incentive criteria.

I've thought carefully about this taking into account what both parties have said but while I understand Mr B needed to wait for his debit card this was requested from First Direct and issued on 13 November 2024, so it's more than likely this was received a few days later. As Mr B had until 14 December 2024 to make the required 5 debit card transactions, I'm satisfied that he still had plenty of time to meet the criteria on this point.

Additionally, I have noted that while Mr B's account switch went through as planned on 27 November 2024 it didn't include at least two direct debits or standing orders as required in the terms. So even if Mr B had received the card earlier the account switch incentive still would not have been paid because the switching of Mr B's everyday banking also didn't meet the criteria to be eligible for the incentive payment. Overall, I haven't seen enough to persuade me that First Direct delayed the receiving of Mr B's debit card which then prevented Mr B from meeting the incentive criteria.

Given all of the above, I don't find that First Direct has treated Mr B unfairly, so I won't be telling it to pay Mr B the incentive payment.

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 B to accept or reject my decision before 6 May 2025.

Jag Dhuphar
Ombudsman