

The complaint

Mr F complains HSBC UK Bank Plc is changing the eligibility criteria for its Premier Bank Account.

What happened

Mr F explained he has been a customer of HSBC for 35 years and has held a Premier Bank Account for some time as he previously met the criteria for this account. HSBC changed the eligibility for new Premier Bank Account customers in 2024. HSBC now requires customers to pay in over £100,000 of income per year or have savings or investments with HSBC over £100,000. This requirement took effect for existing customers in April 2025, with customers not meeting the new requirements moved to a different current account without the benefits associated with the Premier Bank Account.

Mr F complains HSBC has increased the eligibility criteria beyond the Financial Services Compensation Scheme (FSCS), which currently only guarantees holdings up to £85,000, meaning a substantial part of any customers holding or deposits may not be covered by this scheme. Mr F complains HSBC are encouraging customers put at risk over £15,000 if they wish to become, or remain, Premier Bank Account customers because of this change.

HSBC issued a final response to Mr F. HSBC said it sent Mr F an email confirming the changes in January 2025 so he could decide what he wished to do before the deadline in April. HSBC also provided evidence to our service Mr F currently doesn't meet the criteria for a Premier Bank Account and explained this was a valid change it was entitled to make under its terms and conditions.

Our investigator didn't think HSBC needed to take any action. They explained they appreciated it must have been frustrating for Mr F, but agreed HSBC was entitled to make changes to the eligibility for its accounts. Our investigator also explained HSBC didn't have to adjust its account thresholds based on the FSCS's limits.

Mr F rejected our investigator's recommendation explaining he considered the change misleading to customers as HSBC wasn't making it clear this change would put at risk the additional funds needed to meet eligibility.

As Mr F rejected our investigator's recommendation his complaint has been passed to me to make a final decision.

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 appreciate how strongly Mr F feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

It may assist if I start by explaining the limits of our services remit when considering such complaints.

Businesses are entitled to make commercial decisions about the products and services they offer. Our service doesn't have the power or remit to change such decisions or to demand businesses alter business practises, decisions or policies. This can sometimes be within the remit of the regulator, the Financial Conduct Authority (FCA). Our service can only consider whether the customer was treated fairly and reasonably considering the wider circumstances of any such change. We also can't consider or award compensation for what might hypothetically happen in the future or what may have happened.

Whilst I appreciate the points Mr F has made about the change in eligibility, whether to apply or maintain a Premier Bank Account would be a decision customers need to make on an individual basis, depending on their individual appetite for risk.

I understand Mr F is concerned HSBC is not making clear to customers they will now need to hold or pay in above the current £85,000 FSCS limit. On this point, I would make the following observations. I examined the literature HSBC is currently providing to new customers. Page 59 of the updated terms from April this year explain the cover afforded by FSCS in some detail. I also note HSBC currently has a link to the FSCS website on the front page of its home page, alongside this link HSBC clearly explains the current limit protected is £85,000. I hope this reassures Mr F HSBC are taking steps to notify customers of this current limit.

Further to this, I also note that HSBC only require an income of £100,000 to the current Premier Bank Account over a year. It doesn't require customers of this product to *hold* £100,000 in this account. I think it is unlikely most Premier Bank Account customers would hold more than £85,000 in what is essentially a current account.

Moving on now to whether I think HSBC treated Mr F unreasonably or unfairly during this change. As I have explained, HSBC were entitled to change the eligibility for this account, but our service would have expected HSBC to have provided reasonable notice of this change and explained the impact it was likely to have.

Firstly, I can see HSBC gave three months' notice of the change. I have examined HSBC's terms and conditions which explain it will notify of any such changes at least 30 days before the change is made. I therefore think HSBC has complied with its own terms and conditions. I am also persuaded this is a fair and reasonable time for customers to decided what to do, and in line with what our service would expect before such changes are implemented.

Secondly, the impact of the change would have been to lose some of the benefits of the Premier Bank Account. The underlying banking services, such as direct debits and payments in, would likely not have been affected by this change from a Premium Bank Account to a standard current account. Having considered the evidence Mr F has provided our service, I am satisfied the impact here is minimal, so again do not find any impact that I consider, on balance, to be unfair or unreasonable.

I am not therefore persuaded HSBC has done anything unreasonable or unfair here, and for that reason I do not uphold Mr F's complaint. I appreciate this will be disappointing to Mr F, but I trust I have explaining in sufficient detail why I do not uphold his complaint.

My final decision

For the reasons I have given, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 June 2025.

Gareth Jones

Ombudsman