

The complaint

Ms H complains that HSBC UK Bank Plc did not provide full information about her eligibility to hold Premier accounts following changes to its eligibility criteria. As a result, she thought her accounts might be closed, leading to distress and inconvenience.

What happened

In order to qualify for a Premier account with HSBC, a UK customer must meet certain eligibility criteria. They must have an income or savings above a certain level or meet the eligibility criteria to hold an HSBC Expat account, or both. Ms H holds both a UK and an Expat account with HSBC. She met the Premier account eligibility criteria for both.

HSBC changed those criteria, primarily to increase the income or savings level required. This level is now higher than the limit of £85,000 covered by the Financial Services Compensation Scheme if a bank goes out of business. Ms H does not want to keep more in her accounts than would be covered by that scheme.

Concerned that the changes might lead to the loss of her Premier account status, Ms H contacted the bank to check the position. The bank discussed with her the income and savings criteria, but did not refer directly to Ms H's HSBC Expat account. Because of this, Ms H said that she was left uncertain whether she would continue to be eligible for Premier accounts in the UK. In fact, because she held a Premier account with HSBC Expat in Singapore, her eligibility for a Premier account in the UK was unchanged.

Ms H says that she spent several hours trying to clarify the position with the bank – at the same time worrying that her accounts might be downgraded or closed – before it confirmed that, because she met the criteria for an HSBC Expat Premier account, she remained eligible for UK Premier accounts as well.

HSBC offered Ms H £200 in recognition of the inconvenience to which she had been put and the distress she had suffered. Ms H thought however that a higher figure was warranted; she referred to an award of £300 to £750 referenced on this service's website. She referred the matter to this service, where one of our investigators considered what had happened. He thought however that the bank's offer was reasonable and, in a preliminary assessment, did not recommend that it be increased. Ms H did not accept the investigator's assessment and asked that an ombudsman review the case.

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, however, I have reached the same overall conclusion as the investigator did, and for similar reasons.

There is no real dispute about the facts in this case. Ms H was concerned that changes to the eligibility criteria might lead to the loss of her Premier accounts. As it turned out, those

concerns were unfounded – in the sense that she remained eligible. HSBC had an early opportunity to reassure Ms H that her HSBC Expat account meant she could keep her UK accounts. But I agree with the investigator that HSBC did not provide the reassurance needed, even though it had the opportunity to do so.

The issue in dispute is what HSBC should do to put things right. There was no actual financial loss, so I must consider what the appropriate level of compensation should be to recognise the distress and inconvenience caused.

The investigator thought that the bank's offer of £200 was reasonable, and I do as well. In saying that, I have had regard both to this service's published guidelines and to awards we have made in comparable cases in the past. And I note as well that the bank did not actively mislead Ms H about the eligibility criteria, and nor was there ever any suggestion on the part of the bank that she was not eligible. Rather, its failing was in not reassuring her that she was.

I believe that the bank's offer is reasonable, but I will nevertheless make a formal award, so that Ms H can enforce it, should she need to do so.

My final decision

For these reasons, my final decision is that, to resolve her complaint in full, HSBC UK Bank Plc should, to the extent it has not already done so, pay her £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 23 December 2025.

Mike Ingram
Ombudsman