

Chapter 7

Information about current account services

7.1 Application

What?

7.1.1

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- (1) This chapter requires a *firm* to publish information about its provision of personal current accounts and business current accounts.
- (2) In this chapter:
 - (a) a “personal current account” means an account, other than a current account mortgage or a premium service account, which is a payment account within the meaning of the *Payment Accounts Regulations* (see ■ BCOBS 7.1.3G(2));
 - (b) a “business current account” means an account which would be a personal current account if the *banking customer* were a *consumer* (with the definition of “personal current account” in (2)(a) applying for the purposes of this sub-paragraph as if the words “or a premium service account” were omitted) (see ■ BCOBS 7.1.3G(3));
 - (c) each of the following is a “premium service account”:
 - (i) an account of a type:
 - (A) in respect of which *banking customers* receive better or faster service, assessed by reference to any of the information which the *firm* must publish under this chapter, than that provided in respect of one or more other types of personal current account held with the *firm* under the relevant trading name;
 - (B) which requires the *banking customer* to do either or both of the following:
 - (B) maintain a credit balance in the account, exceeding an amount specified by the *firm*, and
 - (B) make deposits into the account each month, exceeding an amount specified by the *firm*; and
 - (C) which is held by fewer than 20% of the holders of personal current accounts held with the *firm* under the relevant trading name (with the definition of “personal current account” in (2)(a) applying for the purposes of this sub-paragraph as if the words “or a premium service account” were omitted); and
 - (ii) an account:
 - (A) held by a *banking customer* who receives better or faster service, assessed by reference to any of the information which the *firm* must publish under this chapter, than the

- service provided to other *banking customers* holding the same type of personal current account with the *firm* under the relevant trading name (a “premium customer”);
- (B) where the *firm’s* treatment of the *banking customer* as a premium customer is dependent on the *banking customer* doing either or both of the following:
 - (B) maintaining a credit balance in the account, exceeding an amount determined by the *firm*, and
 - (B) making deposits into the account each month, exceeding an amount determined by the *firm*; and
 - (C) of a type of which the premium customers constitute fewer than 20% of the holders of personal current accounts of that type (with the definition of “personal current account” in (2)(a) applying, for the purposes of this sub-paragraph, as if the words “or a premium service account” were omitted); and
- (d) a “private bank” is a *bank* or *building society*, or an operationally distinct brand of such a *firm*, over half of whose personal current account customers each had throughout the previous financial year net assets with a total value of not less than £250,000. For this purpose:
- (i) net assets do not include:
 - (A) the value of the *banking customer’s* primary residence or any loan secured on that residence;
 - (B) any rights of the *banking customer* under a qualifying contract of insurance within the meaning of the *Regulated Activities Order*; and
 - (C) any benefits (in the form of pensions or otherwise) which are payable on the termination of the service of the *banking customer* or on their retirement and to which the *banking customer* (or the *banking customer’s* dependents are), or may be, entitled.
 - (ii) “previous financial year” means the most recent period of one year ending on 31 March.

Who?

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- (1) This chapter applies to a *firm* in relation to a current account measurement period (see ■ BCOBS 7.7.1R):
- (a) in respect of personal current accounts held with the *firm* under a trading name of the *firm*, if:
 - (i) at the start of the current account measurement period, 70,000 or more personal current accounts are held with the *firm* under that trading name; and
 - (ii) 70,000 or more personal current accounts were held with the *firm* under that trading name throughout the previous two current account measurement periods; and
 - (b) in respect of business current accounts held with the *firm* under a trading name of the *firm*, if:

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- (i) at the start of the current account measurement period, 15,000 or more business current accounts are held with the *firm* under that trading name; and
 - (ii) 15,000 or more business current accounts were held with the *firm* under that trading name throughout the previous two current account measurement periods.
- (2) This chapter does not apply in relation to:
- (a) an account held by a *banking customer* in respect of whom the main correspondence address held by the *firm* is outside the *United Kingdom*;
 - (b) an account held by a *banking customer* aged under 18 at the start of the relevant current account measurement period (see ■ BCOBS 7.7.1R(1)); or
 - (c) an account which may be used for a currency other than a currency of the *United Kingdom*.
- (3) This chapter does not apply to a *credit union*.
- (4) This chapter does not apply to a private bank.
- (5) But this *rule* is subject to ■ BCOBS 7.1.4.R.
- (1) This chapter applies to a *firm* separately in relation to personal current accounts and business current accounts, for each of its trading names as notified to the *FCA* in accordance with ■ SUP 16 Annex 16AR. For example, a *firm* which only has 50,000 personal current accounts and no business current accounts will not be subject to the requirements of this chapter (except where ■ BCOBS 7.1.4R applies). If a *firm* has two trading names, with 150,000 personal current accounts held with the *firm* under the first name and 50,000 personal current accounts under the second name, and only 10,000 business current accounts, the requirements of this chapter will apply to the *firm* only in respect of the first trading name and only in respect of personal current accounts (except where ■ BCOBS 7.1.4R applies). The numbers in ■ BCOBS 7.1.1R and ■ 7.1.2R apply to the number of accounts, rather than the number of account holders.
- (2) The definitions of “personal current account” and “business current account” both refer to the definition of a “payment account” under the *Payment Accounts Regulations*, that is: “an account held in the name of one or more consumers through which consumers are able to place funds, withdraw cash and execute and receive payment transactions to and from third parties, including the execution of credit transfers, but does not include any of the following types of account provided that the account is not used for day-to-day payment transactions: savings accounts; credit card accounts where funds are usually paid in for the sole purpose of repaying a credit card debt; current account mortgages or e-money accounts”. The *FCA* has issued guidance on that definition: see FG16/6 – Payment Accounts Regulations 2015.
- (3) A payment account under the *Payment Accounts Regulations* is one which is held by a consumer, namely a natural person acting for purposes which are outside that person’s trade, business, craft or

profession. A business current account (defined in ■ BCOBS 7.1.1R(2)(b)) is not a payment account because it is not held by a consumer, but is one which would be a payment account if the account holder were a consumer. The exclusion of “premium service accounts” (see (7)) does not apply to business current accounts.

- (4) Accounts held by *banking customers* whose main correspondence address is outside the *United Kingdom* are excluded both from the number of accounts and from the requirements of ■ BCOBS 7.3 to ■ 7.6. Accounts held by persons under the age of 18, or which can only be used for foreign currency, are also excluded; but a joint account should be included if one of the account holders is aged 18 or older.
- (5) BCOBS applies only to the activity of accepting deposits from *banking customers* carried on from an establishment maintained by it in the *United Kingdom* (see ■ BCOBS 1.1.1R). Therefore, this chapter only applies to accounts operated and activities carried out from *United Kingdom branches* and not, where a *firm* also has *branches* outside the *United Kingdom*, from non-*United Kingdom branches*.
- (6) ■ BCOBS 7.1.2R also makes provision for *firms* whose current account businesses are growing or contracting. For example, a *firm* which passes the 70,000 threshold for the first time on 29 March, and then stays above it, will have to measure the time it takes do to those things which ■ BCOBS 7.3 to ■ 7.6 require to be measured starting from 1 October, and to publish its first statistics (relating to the period from 1 October to 31 December) on or before 15 February of the following year. It will also have to publish the other information required by ■ BCOBS 7.3 to ■ 7.6 from 1 October. (See ■ BCOBS 7.7.1R.)
- (7) Premium service accounts are excluded from ■ BCOBS 7.3 to ■ 7.6. Premium service accounts are those personal current accounts which have eligibility criteria relating to minimum balances or minimum monthly deposits (or both), and whose holders receive better service than non-premium service accounts, based on any of the information or data which this chapter requires a *firm* to publish. For example, an account which has staff available to respond to relevant queries through telephone banking for more hours of the *day* than other accounts, or whose account holders can replace a lost debit card more quickly than other accounts, would be a premium service account. An account may be premium on the basis either that it is of a type only made available to eligible *banking customers*, or because the *banking customer* is treated as premium compared to other holders of accounts of that type. But an account is not a premium service account for this purpose if accounts of that type of account are held by 20% or more of the *firm's* personal current account *banking customers*, or, where the type of account is held by both premium and non-premium *banking customers*, the premium *banking customers* constitute 20% or more of the holders of that type of account. All accounts are treated as non-premium for the purposes of the 20% calculation.

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- (1) This *rule* applies to a *firm* to which this chapter does not otherwise apply in respect of either or both of personal current accounts and business current accounts held under a particular trading name.

- (2) This *rule* applies to information which covers the same subject matter as that to which any of the following *rules* apply (“regulated information”):
 - (a) ■ BCOBS 7.3.5R(1) (information about the speed of the account opening process);
 - (b) ■ BCOBS 7.4.1.R(1) (information about the time taken to replace a lost, stolen or stopped debit card);
 - (c) ■ BCOBS 7.6.1R(1) (information about operational and security resilience); and
 - (d) ■ BCOBS 7.6.3R(1) (complaints).
- (3) The *firm* must not publish any regulated information or include any regulated information in a communication or *financial promotion* addressed to a *banking customer* or a potential *banking customer*, unless the *firm* publishes information that:
 - (a) would meet the requirements of ■ BCOBS 7.3.5R, ■ BCOBS 7.4.1R, ■ BCOBS 7.6.1R or ■ BCOBS 7.6.3R as the case may be,
 - (b) has been calculated in accordance with the requirements of this chapter, and
 - (c) is published in the format and order required by this chapter as if the *firm* were a *firm* to which this chapter (apart from this *rule*) applied in respect of that information in relation to that trading name.
- (4) The requirement in (3)(c) to publish information in the order required by this chapter does not require a *firm* to publish information which, but for this *rule*, the *firm* would not be required to publish.

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- (1) If a *firm* does not have 70,000 personal current accounts, or 15,000 business current accounts, under a particular brand (i.e. trading name), this chapter does not require the *firm* to publish information about its personal current account service or its business current account service (as relevant) for that brand. However, if a *firm* chooses to publish information about that brand which is within the scope of any of the *rules* in his chapter, relating to speed of service, operational and security resilience or complaints (‘regulated information’), the *firm* must comply with the relevant *rule* in full as if this chapter did apply to that brand. This means that the *firm* must measure and calculate the information to be published, and publish it, as required by this chapter.
- (2) The same applies to a *credit union* or private bank that publishes any regulated information.
- (3) Where a *firm* is required to publish information under ■ BCOBS 7.1.4R, it should publish it in the order and format required by this chapter. But the requirement to follow a particular order of presenting information does not require the *firm* to publish information under a *rule* not specified in ■ BCOBS 7.1.4R(3) that it not would otherwise be required to publish.