

## **The complaint**

Mr S complains that HSBC UK Bank PLC blocked, then closed his accounts without explaining why. To put things right, Mr S wants HSBC to restore access to his accounts, and explain why it took the actions it did.

## **What happened**

On 30 October 2024, HSBC blocked Mr S's accounts while it carried out a review. When it completed its review, HSBC issued a letter giving two months' notice of its intention to close Mr S's accounts. Mr S complained, but HSBC didn't uphold the complaint. It issued its final response to the complaint on 12 March 2025, simply saying it had closed the accounts in line with its terms of business.

Mr S didn't accept HSBC's response, so he brought his complaint to our service. Our Investigator looked at the complaint, but she didn't uphold it. She said HSBC was entitled to block and close the accounts, and that it didn't have to explain why. So, while she sympathised with Mr S's position, she didn't uphold his complaint.

Mr S said he was disappointed the Investigator wouldn't tell HSBC to explain itself, and he asked for an Ombudsman to review the matter afresh.

## **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'm sorry to disappoint Mr S, but there's not much I can add to what our Investigator has already said.

### *Account blocks*

All banks in the UK are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. That sometimes means they need to restrict customers' accounts while they carry out a review. The circumstances in which a bank must take such actions are fluid and may change at any given time depending on various factors.

So, in order to make an award in favour of Mr S, I would need to be satisfied that HSBC acted unfairly or took actions it wasn't entitled to take given all of the circumstances that were present at the time it decided to block and review Mr S's accounts. And, having looked at the evidence both parties have provided, I'm satisfied HSBC acted in line with its legal and regulatory obligations when it blocked Mr S's accounts. And that it was entitled to do so under the terms and conditions that governed the relationship between HSBC and Mr S. I appreciate Mr S is frustrated that HSBC didn't explain its reasons in full, and that he feels strongly about his complaint. But, under the terms and conditions of the accounts, HSBC doesn't have to give a reason for doing so.

So, I can't say it did anything wrong by not giving Mr S this information when he complained. And, having investigated HSBC's rationale myself, I'm satisfied it was entitled to block the accounts and complete the investigation in the manner it did. And I've seen no evidence to suggest it treated Mr S unfairly.

While I don't doubt HSBC's actions caused Mr S problems, I won't ask it to compensate him because I don't consider it did anything it wasn't entitled to do, or treated him unfairly, considering all of the circumstances of this complaint.

#### *Account closures*

A bank is entitled to close an account with a customer, so long as it does so in a way that complies with the terms and conditions of the customer's account. The terms and conditions of Mr S's account – with which both HSBC and Mr S had to comply – say that HSBC could close the accounts by giving two months' notice, which it did in its letter of 12 November 2024.

While I can't disclose the reasons for HSBC's decision to Mr S, I can say that I've considered the evidence I've been provided, and I've weighed that evidence against HSBC's the terms of business. And having done so, I'm satisfied HSBC acted in accordance with its terms and conditions when it closed Mr S's accounts.

HSBC isn't obliged to disclose the reasons for its decision to block or close Mr S's accounts to Mr S, and I've seen no basis on which I might reasonably compel it to do so against its wishes. It has disclosed its reasons to our service and, while I understand that won't reduce Mr S's frustrations and that Mr S might not accept my decision, I hope he can take some comfort from the fact that I have independently reviewed HSBC's actions. And that I would have upheld his complaint if I wasn't satisfied HSBC had acted fairly and reasonably.

#### **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 Mr S to accept or reject my decision before 28 May 2025.

Alex Brooke-Smith  
**Ombudsman**