

The complaint

Mr R complains that HSBC UK Bank Plc unreasonably blocked and closed his account, without telling him.

What happened

Mr R held a basic bank account with HSBC. But in March 2025 they decided to close his account with immediate effect. They sent a letter explaining this, but this was sent to an old address. He only became aware of the account closure when trying to claim gambling winnings.

Unhappy with this Mr R complained to HSBC. They responded to say that they had sent a letter to explain they no longer wished to provide him with banking facilities. They didn't offer an explanation of the closure.

Dissatisfied with this answer Mr R referred his complaint to our service. One of our investigators looked into what happened but didn't think HSBC needed to do anything further. She thought HSBC were within their rights to close Mr R's account, and while she accepted, they had sent the closure notice to the wrong address, she didn't think this has had an impact on him.

Mr R disagreed, and so the complaint has now 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.

Like all banks in the UK HSBC have a broad commercial discretion on who they provide accounts to, and on what terms. This isn't something our service would generally interfere with, and it would be rare for me to decide a bank should continue to service an account once they've decided to withdraw services.

Instead, what we look at is whether the decision was taken reasonably, and in line with the terms that govern the account.

There's no specific obligation on HSBC to explain why they've decided to close an account – and here they've not given Mr R an explanation. But they have provided a more detailed explanation to our service. Having considered it carefully, I see it's appropriate the full reasoning remains confidential, which is in line with the rule of our service allowing me to treat certain evidence as confidential. So, I'm sorry to Mr R that I won't be detailing this in full. But I can say I'm satisfied the decision was reasonable, and in line with the terms of the account.

It's accepted HSBC sent the notice to the wrong address. But considering the account had a zero balance at the time, and was closed without any notice, I'm not persuaded this had any material impact on Mr R.

I also understand Mr R has had difficulty reclaiming gambling winnings, which are usually paid onto the card the original stake was deposited on. I appreciate the closure makes this more difficult for him – but as I'm satisfied HSBC acted reasonably by closing his account, I don't see they need to compensate for any inconvenience that flows from their reasonable actions.

Mr R has asked for a letter confirming the card is no longer used, but HSBC has said this isn't something they would issue a letter confirming this. I don't see this is something I would normally expect HSBC to do, if it departs from their usual policies and procedures. And in any event the closure letter outlines the card should be cut in half and returned, which indicates it would no longer be in use. As such, I don't see that HSBC need to do anything further here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 February 2026.

Thom Bennett
Ombudsman