

The complaint

Mr G complains that HSBC UK Bank Plc closed his account without warning and without good reason.

What happened

On 8 August 2025 Mr G tried to use his HSBC debit card in a cash machine. He was unable to do so, and his card was retained. He contacted the bank to find out why that was and was told that his account had been closed two days earlier, on 6 August. HSBC had written to him on the same day, but had not given advance notice of the closure.

Mr G complained about what had happened, but HSBC said it had acted fairly and in line with the account terms. They allowed the bank to close accounts where it considered it appropriate and, in certain circumstances, to do so without providing advance notice.

Mr G referred the matter to this service, where one of our investigators considered what had happened. He did not, however, recommend that the complaint be upheld. Mr G did not accept the investigator's recommendation 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.

It is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene.

I have considered that issue here and am satisfied that HSBC's decision to close Mr G's account was a legitimate one. The bank did not have to tell Mr G exactly why it had decided to close his account, but it has said in the course of this service's investigation that it was concerned that he had used derogatory language about and to its staff on several occasions. And I can see from exchanges between Mr G and HSBC that their relationship had largely broken down over the six-month period leading up to the account closure.

Banks should however give reasonable notice before closing an account. What is reasonable depends on the circumstances, but we generally take the view that two months' notice is reasonable for a personal account. There may however be circumstances where a different notice period is reasonable. That period may be less or more than two months, and in some cases immediate closure may be appropriate. In this case, I agree with the investigator that it was reasonable of the bank to close Mr G's accounts with immediate effect, in line with the account terms. I note that Mr G's account statements indicate that his account had a nil balance at the time of closure.

Finally, Mr G has said that HSBC promised him compensation of £75. I have seen no evidence that it did so, although I do note that it paid him a total of £225 in February 2025 in

respect of a separate complaint. The bank's final response to this complaint does not make any offer. Even if it did offer compensation, however, it is clear that Mr G did not accept any offer – choosing instead to bring this complaint.

My final decision

For these reasons, my final decision is that I do not uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 30 January 2026.

Mike Ingram

Ombudsman