

## **The complaint**

Mr B complains that HSBC UK Bank Plc (HSBC) closed multiple accounts he held without him receiving notice or being given an opportunity to rectify anything. He also complains about the process of receiving cheques for the amounts remaining within the accounts following their closure.

## **What happened**

Mr B held multiple accounts with HSBC. Following an internal review, HSBC wrote to Mr B digitally via online and mobile banking on 22 January 2025 explaining that it had decided to close all of his accounts with effect from 27 March 2025. Mr B had full access to, and use of, his accounts within this time.

Mr B says he never saw this letter and that HSBC should have also written to him in another format such as post or email. He has said that this, to him, unexpected closure caused missed payments, issues with his credit score, financial difficulties and the incurrance of late payment fees.

Mr B says he attempted to use his debit card on 28 March 2025 and found that it wasn't working. When discussing this with HSBC on 31 March 2025 Mr S was told his accounts had now been closed and was referred to the letter dated 22 January 2025. Mr B has said this is the first time he was made aware of HSBC's decision to close his accounts.

Mr B raised a complaint to HSBC. It responded to Mr B with its FRL dated 2 May 2025 explaining it was unable to uphold his complaint and its decision to close his account hadn't been taken lightly. It said that a notification letter had been sent to Mr B providing notice of the upcoming closure on 22 January 2025 and that the closure was in line with the terms and conditions of the accounts.

Mr B remained unhappy so referred his complaint to our service. One of our Investigator's looked into it, and they recommended it wasn't upheld. In summary, they said HSBC were able to close the accounts in the way it did and were satisfied it'd done so in line with the terms and conditions of the accounts. They explained HSBC was entitled to send the notice of closure digitally in the way it did and from reviewing the records of when Mr B logged into his mobile banking – one of these occasions being 27 January 2025 - the letter would have been viewable to him. They went on to explain that HSBC did not need to provide a reason for the accounts being closed and that whilst there had been some customer service failings with regards to the cheques sent for the account balances they weren't minded to award any compensation.

Mr B disagreed. He says that not knowing the reason for the account closures prevents him from taking steps to ensure this doesn't happen again. Mr B also says that online only messages were never his preference and that HSBC has previously communicated with him through other mediums and should have done so again this time given the importance of the closure notice.

Mr B has gone on to say he would have moved his funds from the accounts had he known

they were going to close and that this entire matter has caused him considerable stress. Mr B also complains that as a long-standing customer HSBC should have given him the opportunity to rectify whatever the issue was before closing his accounts.

He asked for a decision, so his complaint has now been passed to me for a decision.

### **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, I have decided not to uphold this complaint. I'll explain why.

HSBC has strict legal and regulatory requirements it must meet whilst it provides accounts for its customers. Part of these require the HSBC to monitor its customers' accounts, and this sometimes means it may carry out a review, the result of which might mean an account is closed.

Regarding the decision to close the accounts, HSBC has provided details of its decision-making process, that I am accepting in confidence - which is a power afforded to me under DISP 3.5.9R(2) of the Dispute Resolution Rules. I'm sorry but I can't share this information with Mr B due to its commercial sensitivity. A description of this information is that it relates to information HSBC hold about Mr B as customer. On balance when considering HSBC's wider regulatory responsibilities and all the information available to me, I find it had a legitimate basis for closing Mr B's accounts and not telling Mr B why. So, I don't find HSBC treated Mr B unfairly by deciding to close his accounts.

HSBC is under no obligation to tell Mr B the reasons it no longer wants him as a customer as much as he'd like to know. Nor does it need to provide Mr B an opportunity to rectify any potential issues with his accounts before it decides to close them. So, I can't say it's done anything wrong by not giving Mr B an exact reason for the account closures. And it wouldn't be appropriate for me to require it do so. Before HSBC closes an account however, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the accounts held by Mr B, which HSBC and Mr B had to comply with, say that it could close the accounts by giving him at least two months' notice. And in certain circumstances it can close an account immediately.

HSBC has provided me with evidence that it did send the notification of closure letter dated 22 January 2025 digitally. This letter provided Mr B with at least two months' notice that his accounts would close on 27 March 2025. I appreciate that Mr B has said he never saw this letter but there is no corresponding obligation to ensure Mr B has received this once it's been sent, nor provide notice in another format – such as by post or email. HSBC isn't of course prevented from contacting a customer by additional means, and I understand why Mr B feels it should have in his circumstances.

But, having considered the nature of the information that I have accepted in confidence as referenced above I don't find that HSBC needed to provide notice to Mr B under the terms and conditions of the accounts and would have been entitled to close the accounts immediately. As such I don't find it reasonable to award any compensation for losses Mr B incurred either directly or indirectly as a result of not being aware his accounts were to close.

I can see that Mr B experienced some difficulties with receiving the cheques for the account's closing balances and, as the investigator noted, there were some customer service failings here. But it doesn't always follow that I should award compensation. Instead, I must consider all the circumstances of an individual complaint to reach an outcome I'm

satisfied is fair and reasonable. Having very carefully considered all the information I have seen, including that submitted in confidence by HSBC, I don't find awarding Mr B compensation with regards to any of the losses, financial or otherwise, he has said he incurred as a result of HSBC's actions would be a reasonable outcome.

### **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 10 March 2026.

Mark Louth  
**Ombudsman**