

### **The complaint**

A, a limited company, complains that it lost out financially when HSBC Bank Plc restricted its account whilst it conducted an account review.

A further complains that HSBC Bank Plc suspended its telephone banking in error.

A is represented in this complaint by a director, Mr J.

### **What happened**

HSBC told this service that A's account was restricted for the period 27 December to 9 January whilst it completed an account review.

Mr J has confirmed he was aware of the review and the restrictions but says this caused considerable financial loss to the business as it had to close its restaurant for two weeks.

Our investigator said they felt the account restriction was put in place as part of a legitimate review and so didn't think HSBC had done anything wrong.

Mr J contacted HSBC by telephone on 29 December to check the status of A's account. During this call his Business Telephone Banking (BTB) access was suspended when the telephony agent said he had failed to pass security.

HSBC said this was a mistake and paid £100 to A's account as an apology.

After A brought the complaint to this service HSBC made a proactive offer of a further £200, which would bring the amount paid for the mistake to £300.

Mr J refused the offer on A's behalf.

The BTB access was suspended on 29 December and was lifted the following day 30 December.

Our investigator concluded the suspension of the telephone banking didn't make any further impact on A's business, as the account was restricted before and was still restricted after the error happened. They said the £100 paid to A was fair and didn't ask HSBC to do anything more.

Mr J didn't accept the investigator's view and asked that the case be referred to an Ombudsman.

### **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 agree with the view of the investigator and I'll explain why.

HSBC has told us it restricted A's account whilst it conducted an account review. This meant that during the review period (27 December – 9 January) no transactions were able to be made either in or out of the account.

Mr J has told us that because of the account restrictions A had to close its restaurant for two weeks resulting in a financial loss of £8,000.

Banks have legal and regulatory obligations to meet when providing accounts to customers. On occasion this can mean it's necessary to conduct reviews of customer accounts. To do this they may need to restrict payments in and out of the account.

HSBC has provided me with evidence of why it restricted A's account and I'm satisfied it was complying with its obligations when it conducted the account review.

I'm sympathetic to what Mr J has told me, however I can't say HSBC did anything wrong when it restricted A's account. And any financial loss A may have experienced would be the result of HSBC's reasonable decision to review and restrict A's account. Because of this, I don't think HSBC needs to compensate A for any financial loss it may have suffered.

Mr J's access to A's BTB was suspended for a period of approximately 24 hours over 29/30 December.

I appreciate this meant Mr J couldn't check A's account during this time, and that this may have been inconvenient. However, I agree with the investigator that this didn't result in any additional financial loss to A.

HSBC has acknowledged it made an error when it suspended the BTB access and paid A £100 as an apology. I think this is fair and reasonable and won't be asking HSBC to do anything more.

HSBC made an offer of an additional £200 which was rejected by Mr J on behalf of A. Should he now wish to accept this offer then he should contact HSBC direct to discuss.

For the reasons I've explained I don't uphold this complaint.

### **My final decision**

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask A to accept or reject my decision before 7 May 2026.

Petina Edwards  
**Ombudsman**