Financial Ombudsman Service

complaint

Mrs A complains that HSBC Bank plc closed her account even though she'd cancelled her request to switch the account away from it.

background

Mrs A had an account with HSBC. She decided to move her account to another bank. She asked the other bank to start the account-switching process. But later that day, she changed her mind. She told the other bank, which she says told her there wouldn't be a problem, because the switch hadn't started. But when she contacted HSBC, it told her that it couldn't stop her account being closed.

Mrs A says she had no access to her money or account for more than a week. And she had to sort out her payments on her own. She'd like HSBC to apologise and compensate her for the stress and inconvenience she experienced.

Our adjudicator didn't recommend that the complaint should be upheld. He referred to the other bank's brochure on account switching. This made it clear that even where a customer cancelled a switch, their old bank account would still close. He said that this was common practice. So he didn't think HSBC had been wrong to close Mrs A's account.

Mrs A disagrees. She says she's been a loyal customer of HSBC. The switch didn't take place, so she doesn't consider that it can have been fair of HSBC to close her account. She reiterates that this left her with no access to her money and caused her a lot of stress.

my findings

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've reached the same conclusion as the adjudicator.

Once a switch has started, it's too late to stop the original bank account being closed. This is a standard feature of the switching process. Mrs A initiated the switching process with the other bank. So I don't consider that HSBC can fairly be held responsible if Mrs A was unaware that she wouldn't be able to stop her HSBC account being closed once the switching process had started.

I acknowledge that Mrs A asked to stop the switch later on the same day that she'd requested it. But having looked at HSBC's internal records, I accept that by the time Mrs A contacted it the process had already started.

I can see how frustrating and stressful it will have been for Mrs A not to have access to her bank account until a new account was set up. And I have sympathy for her. But I can't fairly conclude that the situation was caused by any wrongdoing on HSBC's part. So I can't reasonably require it to compensate her or do anything else.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs A to accept or reject my decision before 19 February 2016.

Juliet Collins
ombudsman