Ombudsman Decision
CIFO Reference Number: 25-000045
Complainant: Mr C
Respondent: HSBC Bank Plc, Jersey Branch

Complaint

The Complainant, who I shall refer to as 'Mr C' complains that HSBC Bank Plc, Jersey Branch ('HSBC'), after closing his accounts, failed to return funds as requested despite him sending in the required documentation a number of times.

Background

HSBC reviewed Mr C's account in October 2023 when it sent him a '*you need to contact us'* letter. The letter asked that updated information be provided to the bank within 60-days. When it did not hear back from Mr C, the bank sent a second letter giving an additional 30-days for the information to be provided. Again, the bank did not hear back from Mr C and wrote a letter to say that his account had been temporarily restricted.

The bank then had some email contact with Mr C in February 2024 and provided him with forms to complete to lift the restrictions along with a list of information that was needed to satisfy its review procedures and in line with regulatory requirements. Mr C did not respond, and the bank closed his accounts on 5 June 2024 saying that it had reached the decision to close the account because it had not received up to date information from Mr C.

Mr C complained that he had provided all requested information, and the bank had confirmed this to him. He requested his account balance of around £5,000 be returned to him along with interest and compensation to cover his time and inconvenience.

[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

The adjudicator did not uphold the complaint. She was satisfied that the bank had made reasonable efforts to contact Mr C about his accounts and provided sufficient notice (60 days) when it took the decision to close the accounts. Whilst acknowledging that dealing with requests for information takes time and effort, she would not expect the bank to release funds until it was satisfied it had complied with its regulatory obligations.

In Mr C's case the bank did not have the correct certified proof of address and after requesting this from Mr C a number of times, it requested up to date versions of the paperwork he had provided along with the proof of address.

The money was returned to Mr C on 5 September 2025.

Subsequent Submissions

Mr C did not accept the adjudicator's conclusions saying that whilst the bank may not have made an error it had acted unreasonably. The bank accepted a large deposit of money into his account during the closure period, and he would like interest and compensation for the time spent dealing with the matter.

HSBC had nothing further to add.

My Findings

I have considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint.

On the face of it this matter has taken some time to resolve. But having carefully reviewed what took place including the correspondence and contact history I do not find the bank to be responsible for the delay. It followed its procedures which of themselves are not unreasonable and designed to meet regulatory and legal requirements.

When Mr C did not provide the information requested by the bank it decided to close his accounts giving him, in my view, sufficient notice for alternative arrangements to be made or the information provided. I note that the bank was clear that he could apply for a new account if required. So, the bank was not saying it didn't want him as a customer but rather that he was simply not providing them with the information it required for it to continue the banking relationship.

I have considered what happened when the accounts were closed. Mr C has said that he provided both a certified ID document and verification of address by 16 July 2024. That was the date on which he provided the address verification to a UK branch of the bank.

Unfortunately, the address verification was not received in Jersey and a credit card statement sent in September 2024 was not accepted as it was not certified. In

November 2024, the bank again requested certified identity and address documents dated within the last 4 months which despite multiple chasers were not provided.

I understand Mr C's frustration particularly when paperwork provided to a UK branch does not appear to have reached Jersey but I don't think it would be fair for me to conclude that the bank is responsible for the delay in the money being released in circumstances where the information could readily have been updated and provided again.

For the avoidance of doubt, I do not consider that it was wrong for the bank to accept the credit to the account in May 2024. At that stage, the account remained open and as I have said there was the option for Mr C to continue with an account with the bank.

As the adjudicator noted the contact records held by the bank suggest that Mr C did not always respond to contact and requests for information and it is this, rather than any failing by the bank, that delayed resolution of this matter. In these circumstances I see no reason for the bank to pay Mr C compensation for his (or his mother's) time as requested.

The bulk of Mr C's money was in an account which was not interest bearing and for the reasons outlined above I make no award for interest. I have not found the bank to be at fault or obstructive in relation to the release of the money which could have taken place at a much earlier stage.

Final Decision

My final decision is that I do not uphold Mr C's complaint, and I do not require HSBC to take any further action in this matter.

Clare Mortimer
Ombudsman

Date: 21 January 2026