

The complaint

Mr B complains that Citibank UK Limited won't go back to the way it used to authenticate him.

What happened

- Mr B says he feels he's been forced to open an account elsewhere and is unhappy with the inconvenience of having to transfer money into an alternative account in order to make payments online. Mr B says he has an older mobile phone which cannot download Citibank's mobile banking app, nor access the link to authenticate himself online.
- Citibank says it made changes to the way it authenticates its customers in order to implement what's known as strong customer authentication ("SCA") in line with the relevant rules and regulations. It says an alternative is for Mr B to make a transfer and contact the call centre for assistance. But it says it can't disable the additional security step it implemented for online payments. It didn't uphold Mr B's complaint.
- Mr B referred his complaint to our service. Our investigator considered the complaint and concluded it should be upheld. They said Citibank should offer Mr B a viable alternative so that he can authenticate himself for online payments. And they said Citibank should pay Mr B £100 compensation for the distress and inconvenience caused.
- Citibank didn't respond to our investigator's findings, so the complaint has been passed to me to make a final 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 agree with the conclusions reached by our investigator for these reasons:

- The Financial Conduct Authority (“FCA”) has explained its expectations of firms when it comes to implementing SCA. The FCA says it expects firms to develop SCA solutions that work for all groups of consumers. This means that firms may need to provide several different methods of authentication for their customers. Significantly, and in the circumstances of this case, the FCA has said that this includes methods that do not rely on mobile phones to cater for consumers who will not have or won’t want to use a mobile phone.
- In this case, Citibank hasn’t worked with Mr B on a solution to his problem. The alternative its proposed isn’t an online payment, which is what Mr B wants to do. And it isn’t in line with the FCA’s expectations which say that firms need to provide several different methods of authenticating customers so they can use online banking or make online payments, rather than providing them with an alternative to online banking or online payments. And that these methods should be viable ones too. So, I find it has treated Mr B unfairly here.

For these reasons, I uphold this complaint.

My final decision

My final decision is that I uphold this complaint about Citibank UK Limited. In order to put things right for Mr B, Citibank UK Limited must:

- Offer Mr B a viable alternative so he can authenticate himself for online payments.
- Pay Mr B £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr B to accept or reject my decision before 24 August 2022.

Dan Prevett
Ombudsman