

## **The complaint**

Mr B complains that Citibank UK Limited (Citibank) didn't process his inward payment.

## **What happened**

On 9 May 2022, Mr B made a payment of USD120,000 from his UK bank account to his UK Citibank account. The funds were needed for a property purchase due to complete on 3 August 2022. The funds were credited to his Citibank account on or around 9 August 2022.

Mr B complained. He said the delays were unacceptable. He had called both the remitting bank and Citibank to find out what had happened. He said the remitting bank had provided all the information needed to trace the payment, but Citibank had been very unhelpful. He had emailed and / or called up to 50 times but had got nowhere. At the time of his complaint to Citibank (20 May 2022) and to our service (21 June 2022), he was concerned he wouldn't have sufficient money to complete a property purchase, and this would lead to either the loss of the property, or financial penalties.

Citibank replied to Mr B on 31 May 2022 and said Mr B had used the wrong Swift code and therefore the payment may have been misrouted. They said they'd continue to try to trace it.

Mr B brought his complaint to us. Our investigator upheld his complaint. She could see the payment was credited to the beneficiary bank on 9 May 2022. During our investigation, on 9 August 2022, Mr B confirmed he had just received the money into his Citibank account but with no explanation from Citibank as to what had happened. She said Citibank hadn't responded to our requests for information, and so she had to conclude the funds had been held in a holding account. She also had to conclude that Citibank should've done better with their communications and tracing of the payment. She said Citibank should pay compensation of £300.

Mr B accepted our investigator's view, but Citibank didn't respond to it, despite being chased twice. And so, as part of our process, Mr B's complaint came to me to make 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.

I can see that we asked Citibank for an explanation as to what had happened. Citibank's final response dated 31 May 2022 said Mr B used the wrong Swift code. But Mr B told us he had used the same code on a previous payment and that was successful – so he said that couldn't be the case. Citibank showed us that they were trying to trace the payment within the bank through May 2022 – we saw a number of internal emails. We asked Citibank about the payment and what had happened but received no meaningful information. And – Citibank didn't respond to our investigator's view.

And therefore, in this case, I must decide on the balance of probability – about what happened. And that is that the payment must have been held in a suspense account

somewhere in Citibank for the period of three months. And – we couldn't see any evidence that Citibank urgently addressed the tracing of Mr B's payment, certainly after the end of May 2022. We couldn't see any communications to Mr B from Citibank (other than the final response).

In the event, Mr B received the money into his Citibank account after three months, but without any explanation or communication. Mr B had the considerable worry about where his funds were for up to three months, and whether he could finance the purchase of the property on 3 August 2022. He told us he managed to find other ways to finance the purchase – so the financial impact was mitigated. He also had the hassle of calling and emailing Citibank (he says 50 times) over the period.

And therefore, I agree that payment of compensation of £300 is right for what happened. Following our investigator's view on 19 August 2022, it's not clear if Citibank have paid this – but this decision directs this to be paid if not.

### **My final decision**

I uphold this complaint. Citibank UK Limited must:

- Pay compensation of £300 to Mr B for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 November 2022.

Martin Lord  
**Ombudsman**