

## **The complaint**

Ms K is unhappy Citibank UK Limited (Citibank) closed her accounts. She believes she has been discriminated against because of her nationality.

## **What happened**

The background to this complaint is well known to both parties so I will summarise briefly here.

Citibank notified Ms K on 31 May 2022 that it intended to close her accounts (this included her cash accounts and time deposit account) giving her two months' notice. The communication explained that following a review, Citibank no longer felt it was best placed to service Ms K's banking and investment needs.

Citibank has told us its review of Ms K's account began on 10 May 2022, with it culminating in the notice to close being issued on 31 May 2022.

Ms K believes Citibank's decision to close her accounts is because of her nationality and feels discriminated against as a result. She has mentioned Citibank's decision is in breach of the Equality Act 2010. Specifically around discriminating against an individual on the basis of their nationality or ethnicity, particularly where they are experiencing a vulnerability.

Citibank told Ms K she would need to transfer the money out of her account in one go and her accounts would be closed at that point. Ms K has moved some of the money out, with Citibank allowing a partial transfer as a gesture of goodwill. But Ms K has told us she's found it difficult to find another account to suit her banking needs, and so most of her money remains in the Citibank accounts at this time.

In relation to the time deposit account, Citibank has explained there would be a need to break this to close the banking relationship with Ms K. But that any fees or charges associated with this would be waived.

Ms K asked our service to consider her complaint. Our Investigator didn't uphold the complaint. He explained that Citibank was entitled to close Ms K's account and did so in line with the terms and conditions. He looked at the reasons as to why the account was closed and was satisfied Citibank had not discriminated against Ms K when deciding to close her accounts. He was also satisfied Citibank had given Ms K every opportunity to transfer her money out and were not denying her access to her funds.

Ms K disagreed. She raised the fact that we haven't shared the reason for the closure with her which has hampered her chance to respond. Nor did the Investigator consider that although Citibank hasn't withheld her money, she has found it extremely difficult to find an account elsewhere. So effectively its decision to close her accounts has stopped her accessing her funds.

Because Ms K disagreed, the complaint has been passed to me to decide.

## **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.

### *Account closure*

Citibank has a wide range of legal and regulatory obligations it must meet when providing account services to its customers. These obligations are ongoing so don't just apply at account opening stage. To comply with these obligations, it may need to review accounts. Sometimes these reviews will lead to the accounts being closed. If Citibank didn't do this, it could risk serious sanction.

But if a financial institution chooses to review and close an account, it should do so in line with the terms and conditions of the account and its reasons should be legitimate, fair and non-discriminatory.

Citibank isn't under any obligation to reveal to a customer why it closed an account. This information is often commercially sensitive. So, I don't think Citibank did anything wrong in not communicating its reasons for closing the accounts to Ms K. It has however shared its reasons with this service. I appreciate Ms K would like us to share the reasons with her, but for the same reasons mentioned, it wouldn't be appropriate for me to do so. But I can say that I'm satisfied her account wasn't closed because of her nationality.

Ms K says they feel Citibank has discriminated against her by closing her account. I can understand why she feels this way – especially as the reasons for the closure haven't been explained to her - but having looked at all the evidence I don't think Citibank has treated Ms K unfairly. It has acted in line with its legal and regulatory obligations and the terms and conditions of the accounts.

I've also considered Ms K's comments that Citibank has breached the Equality Act by closing her account. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Ms K wants a decision that Citibank has breached the Equality Act 2010, then she'd need to go to Court. I say this as I don't have the jurisdiction to make a finding on whether or not a law has been broken. Only a judge can do that.

So, whilst I appreciate the closure of the accounts has caused Ms K a great deal of distress and inconvenience, I don't think Citibank has made an error in doing so. I hope that it helps Ms K to know that someone impartial and independent has looked into her concerns. But with the above in mind, I won't be asking Citibank to compensate Ms K for the impact of the closure or take any further action.

### *Access to funds*

Our investigator was satisfied Citibank had not denied Ms K access to the funds in her account. However, Ms K has explained that she hasn't been able to open a suitable alternative account to transfer her money to so her funds in practice are inaccessible.

While I appreciate the difficulties Ms K has faced in finding a new account suitable for her needs, I have already concluded that Citibank is able to close her accounts she holds with it. It can't be held responsible for Ms K not being able to obtain another account. Ultimately, from the evidence I've seen, I'm satisfied Ms K's money isn't being withheld by Citibank and she is able to request a transfer of this money at any point. Its policy is that all the money needs to be transferred at once, but I can see its allowed partial transfers as an exception to

allow Ms K to move some of her money out – so I think it's treated her fairly here. It has also explained it will waive any fees associated with the breakage of the time deposit account.

The real issue is that Ms K hasn't been able to find a suitable account to transfer the rest of her funds too, and as I've explained, this isn't something I can hold Citibank responsible for. I fully appreciate the difficulty of Ms K's situation, but I wouldn't expect Citibank to allow Ms K to continue to use her accounts after it has taken the legitimate decision to end its banking relationship with her.

### **My final decision**

My final decision is that I don't uphold Ms K's complaint against Citibank UK Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 21 March 2024.

Sarah Brimacombe  
**Ombudsman**