

The complaint

Miss B complains Citibank UK Limited decided to close her account for commercial reasons. She would like an apology and to continue banking with them.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss B had a current account and a savings account with Citi. She has told us she had an account with Citi for 23 years.

Miss B received an email from Citi on 7 August 2023 to let her know that they intended to close her accounts giving 90 days' notice. Miss B's accounts were to close on 9 November 2023.

Citi said the closures were due to Citibank concentrating on clients with complex wealth issues.

Miss B was concerned that the closure was discriminatory – she said she was a victim of economic and financial discrimination. She said she was protected by the Equality Act. She said the terms and conditions had been agreed 23 years ago and Citi couldn't just change their mind.

Citi said they had decided to focus on clients with complex wealth management needs and had given clients who didn't meet this criteria, three months' notice.

Miss B complained to our service. One of our investigators looked into the complaint. She thought Citi were entitled to make a commercial decision about who they offered their services to. She thought Citi had complied with their terms and conditions and their legal and regulatory obligations. She didn't think Citi had treated Miss B unfairly.

Miss B disagreed with the view. She said she had been submitted to a form of discrimination because of her financial standing. She thought Citi could apply their criteria to new customers but not to existing customers especially long-standing customers. She thought the terms and conditions she agreed to when she first opened the account should be upheld.

As there was no agreement the matter has come 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.

As the investigator explained it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

In this case Citi made a commercial decision to focus exclusively on managing clients with complex wealth management needs. So, they gave Miss B notice of their intention to close her accounts.

Banks are entitled to end their business relationship with a customer, as long as it's done fairly and is in line with the terms and conditions of the account. Banks should give reasonable notice before closing an account. Usually that means 60 days' notice. In this case Citi gave Miss B 90 days' notice of the closure of her accounts. So, I think they acted fairly as they gave more notice than required under the terms.

Miss B has suggested that her original terms and conditions should be preserved as she's a long-standing customer. I understand Miss B is unhappy that Citi have closed her account after she's been a customer for 23 years, but Citi can exercise its commercial discretion and decide who it continues to do business with. Citi has decided that they want to concentrate their customer base on high-net-worth individuals. And even though Miss B disagrees Citi, is entitled to make this decision and I can't say they have acted unfairly in deciding this.

When Miss B opened the accounts 23 years ago, she agreed to a set of terms, but terms change and although she has said that Citi changing the rules is unethical and immoral, I'm satisfied that the relevant terms allow Citi to give Miss B notice to close her accounts as it's already done.

Miss B has said that she is protected by the Equality Act and that Citi have treated her unfairly because of her financial standing. She has said she is a victim of economic and financial discrimination. I appreciate that this is Miss B's perspective. I want to clarify that this service is unable to make a finding on whether or not something constitutes discrimination as per the Equality Act, only the courts have the power to decide this. I have, however, considered the relevant law in relation to what Miss B has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010. But after doing so I've not seen evidence to indicate Miss B was treated unfairly, so I haven't found that Citi's behaviour was improper when it decided to close Miss B's accounts.

In summary, I know Miss B will be disappointed by my decision but having looked at the evidence I'm satisfied Citi acted fairly when they decided to close Miss B's accounts and I won't be asking them to do anything.

My final decision

For the reasons stated above my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 20 June 2024.

Esperanza Fuentes
Ombudsman