

The complaint

Mr H complains about the level of service provided by Citibank UK Limited. To resolve this complaint, he would like Citi to report information about his payment accounts correctly and he'd like to be able to benefit from the opportunities presented by Open Banking.

What happened

Mr H has raised a number of issues connected to the day to day running of his Citi current accounts. In summary, Mr H is concerned that:

- Citi doesn't report to all UK credit reference agencies. Mr H is worried this could adversely impact him when he needs to apply for mortgages for his properties as his main banking activity may not be visible.
- He is unable to benefit from the opportunities presented by Open Banking as he has not been able to connect his Citi payment account to the third-party providers he wishes to use.
- His credit reports do not show the correct legal entity. Citi is reported as Citibank International Limited and not Citibank UK Limited. Mr H pointed out that the transfer from Citibank International Limited to Citibank UK Limited happened many years ago, so records ought to have been corrected by now.
- He has had to resort to the Financial Ombudsman Service to get Citi to engage meaningfully on the issues raised.

Mr H's later complaint about his overdraft facility and Citi's decision to end some customer relationships, as well as his complaints about some of the third-party providers that he wanted to use have been considered separately.

In its first final response issued on 6 October 2021, Citi explained that it only submits data to two credit reference agencies and had no plans to change this. It said it had escalated the way Citi appears on credit reports to its technical team and would update Mr H again when it heard back. It explained that it does share payment account information with third party providers, but the third parties need to approach Citi directly and go through its onboarding process. It offered Mr H £75 compensation to acknowledge the inconvenience Citi's delays in responding had caused.

Mr H remained in contact with Citi, but the member of staff he was liaising with left the bank, so his messages were not picked up or responded to. When Citi did contact Mr H again, it said it did not have a timeline for when the bank's legal name would be updated with the credit reference agencies. It offered to write a letter of confirmation to supplement Mr H's credit file and suggested that he could add a notice of correction to explain the difference which would be seen by any party reviewing his credit file.

As nothing had changed, Mr H made a further complaint. In its second final response issued on 27 January 2022, Citi agreed there had been delays in relation to his complaint due to staff shortages. It said it had chased the credit reference agencies it reports to in order to follow up the amendments that had been requested. It said it had contacted one of the third-party providers Mr H wanted to integrate his payment account data with and confirmed all was in order. It acknowledged that Mr H hadn't been kept updated with what was happening and that Citi hadn't responded to him when it should have done. It offered him a further £200 compensation as a gesture of goodwill.

Mr H explained that he'd found it stressful and inconvenient to have protracted communication which was ultimately fruitless as he was no further forwards. As his issues remained unresolved, he contacted this service for assistance.

Mr H also contacted Citi to enquire about the ongoing complaint with this service. Citi agreed that it could have responded sooner and said it would let our Investigator know he'd been in touch. It issued a third final response on 16 September 2022 explaining there was nothing more the bank could do to help him until the Financial Ombudsman Service had reached a decision.

One of our Investigators considered the matter and recommended that the complaint should be partially upheld. He didn't think Mr H had been negatively impacted due to his credit report showing Citibank International Limited, but he acknowledged the issue remained. He said Citi should pay a further £100 compensation in addition to what it had already offered to acknowledge the ongoing inconvenience Mr H was being caused. But he didn't think Citi had done anything wrong by only reporting to two credit reference agencies. In relation to Mr H's points about being able to connect his Citi accounts to third party providers, he said that Citi had made an Open Banking API available for organisations to use, which was as much as it has to do.

Mr H didn't agree and asked for the matter to be reviewed by an Ombudsman. In summary, he said that he is being prevented from being able to make full use of his banking data to get a picture of his financial wellbeing. He felt this was unfair as customers of other banks are not being precluded from using their information in this way. He said the reason connection had failed was because of Citi's security certificates being out of date after the UK left the European Union and he didn't think it was right that Citi had not commented on that specifically. He was concerned that Citi was breaching data protection laws by not reporting accurate and up to date information to credit reference agencies. He said the level of service he's received from Citi is not compatible with the FCA's Consumer Duty and he would like the complaint to be considered against the lens of the Consumer Duty rather than one of inconvenience and financial loss.

As Citi did not respond and Mr H did not agree, the complaint was referred to me. I sent a provisional decision to Mr H and Citi last month explaining why I was minded to uphold the complaint. I have included an extract from my provisional decision below outlining the further investigation I undertook, along with my findings:

“My further investigation

Since the complaint has been referred to me, I have undertaken extensive communication with Mr H, Citi, and relevant third parties. For ease, I shall outline my further enquiries in relation to each complaint point.

Problems connecting Citi payment accounts with third party providers

I asked Citi whether there were any problems reported by third party providers of account information services when trying to integrate with Citi’s payment account data. I outlined the information I had about failed attempts to integrate from the third-party providers Mr H had tried to use and asked Citi what it considered the cause of these problems to be. I asked Citi to provide some further context so I could understand whether there had been a loss in service because of issues at Citi’s end.

Citi asked me for more details about the third-party providers, including when they tried to integrate and whether they raised the concerns with Citi directly. It explained that to address the point about Citi’s security certificate it would need the full chronology of the testing attempts the third-party providers did.

I shared all of the details that I had, but recognised they were not to the depth Citi required. One of the third-party providers had tried to integrate in May 2020 but could not provide any more technical details about it as the engineers that worked on the integration are no longer employed there. Another third-party provider had told Mr H the reason the attempted integration had failed was because of Citi’s security key. I provided Citi with all of the evidence I had to support this, but it was not detailed enough to enable Citi to pinpoint exactly how and when this happened.

I provided Mr H with the details of the payment service providers that had managed to successfully integrate with the account information service providers he’d wanted to use. I also provided him with the details of the account information service providers that had integrated successfully with Citi.

Mr H was able to connect his Citi accounts with one of these account information service providers, but that connection was short lived. That matter has been raised separately and is outside of the scope of this complaint.

In addition, because of Citi’s decision to withdraw from the retail banking market, Mr H has since moved his primary account relationship to another bank. This means that Mr H no longer needs to try and connect his Citi payment accounts with third party providers going forwards.

Problems with the legal entity not being technically correct

When I initially contacted Mr H, I said it was unlikely that a potential lender would draw any adverse conclusion from the name of the legal entity not being technically correct as it would be the data around how the account was being run that would be of more relevance. Mr H explained that he would prefer all information connected to him to be true and accurate.

By May 2023, one of the credit reference agencies Citi reports to was showing the correct legal name for the bank. On 16 June 2023, Citi confirmed that it had raised a request to the other credit reference agency it reports to in order to amend the legal entity name. It was expecting the update to be completed within two business days. Mr H contacted the credit reference agency himself directly when the change was not made.

The credit reference agency told Mr H that the information on the credit report belongs to the data provider and that it can't be changed without Citi's authorisation.

The credit reference agency then told Mr H that Citi had not responded so it had temporarily removed the information from his credit report. Mr H was concerned by this and pointed out that suspending his main current accounts from inclusion on his credit report could affect his ability to get credit. The credit reference agency told Mr H to contact Citi and provide the case reference numbers for the dispute so they could try and work together to resolve the issue.

In September 2023, Citi told Mr H it had revised the legal entity being reported. It wrote to Mr H on 11 September 2023 to confirm this in writing and suggested it would take two days to make the relevant changes. Mr H explained that this was welcome news, but it had taken far too long, and the temporary suspension of data being reported caused him unnecessary distress and inconvenience.

Citi issued a further final response on 21 September 2023. It said that it had failed to deliver on client excellence whilst asking the credit reference agency to amend its records and offered £100 compensation to recognise the inconvenience caused.

On 26 September 2023, Mr H pointed out that the promised expedited updates had not taken place and the timescale Citi had previously promised had been extended to two weeks.

On 6 October 2023, Mr H explained the change still hadn't taken place and that Citi had told him it had been escalated on three occasions, yet no update had been received. He said he'd tried communicating with both sides and had got nowhere.

The information was correctly updated and re-instated with the credit reference agency by 25 October 2023. But this change was not feeding through to the credit information service that Mr H uses to access his credit report. Whilst those matters are outside of the scope of this complaint, all of the information was finally reporting correctly with the credit information service in late December 2023.

I asked Citi to confirm the compensation that had been paid in connection to the problem with the legal entity and whether it would consent to us considering all of the matters connected to this complaint point together. I felt this was the most pragmatic way forwards because the legal name is currently reporting correctly and Mr H has moved to his new bank, creating a clear point in time to consider the problems resolved, meaning any future problems would be very clearly a new matter. Citi agreed.

Citi outlined that it had offered £75 on 21 September 2021, £200 on 18 January 2022 and a further £100 in September 2023. It said these payments had already been credited to Mr H. Citi was willing to offer an extra £25 to Mr H to bring the total compensation for the problems with the legal entity not being technically correct to £400.

Citi made no comment on whether it agreed or disagreed with the additional £100 compensation that our Investigator had recommended in February 2023, but I have taken the bank's latest response and offer of a further £25 to mean it does not agree.

I made Mr H aware of Citi's further offer. He said the level of compensation was low given the significant amount of time it has taken to resolve everything.

What I've provisionally 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 have summarised the position to date in my own words and in much less detail than has been provided. No discourtesy is intended by this as it enables me to focus on the key issues of this complaint and its surrounding investigation. For ease, I shall take each of the complaint points in turn.

Citi doesn't report to all UK credit reference agencies

A lender can decide which credit reference agency it wishes to use. There's no requirement under data protection law for Citi to report data to all credit reference agencies. Against this backdrop, I can't fairly say that Citi has acted incorrectly by choosing to report information to only two credit reference agencies.

Mr H is unable to connect his Citi payment accounts to third party providers of account information services

Mr H wanted to link his bank account data with a number of financial technology businesses. The financial technology firms are authorised to provide account information services. An account information service is an online service which provides consolidated information on one or more payment accounts held by a payment service user with another payment service provider.

By linking his bank accounts to these apps, the financial technology companies would then be able to use the information from Mr H's bank accounts to provide services to him, such as personalised insights and analysis into his spending.

Citi made an Open Banking API (application programming interface) available for integration, but Mr H was not able to use the account information services in respect of his bank account due to problems with the financial technology companies integrating.

Some of the financial technology companies Mr H wanted to use said they had initially attempted to onboard with Citi but had encountered technical difficulties. Then the financial technology companies said there were no longer plans to onboard with Citi because there was not the demand for it and connections with other financial institutions were taking priority.

The issue I have to consider is whether Citi has made a mistake causing Mr H to lose out. One of the difficulties in this matter is that despite extensive efforts, it has not been possible to identify exactly why those initial onboarding attempts failed. It's not unusual for me to have to decide a complaint where the evidence is incomplete, inconclusive or contradictory (as it is here). In this situation I must reach my findings on balance – in other words, what I consider is more likely than not to have happened in the light of the available evidence and the wider circumstances.

Citi told me it was unable to locate any interactions from the two specific financial technology companies Mr H had wanted to use. The correspondence I have been able to share with Citi from the financial technology companies does support that they did initially try to pursue integration and I have no reason to believe that was not the case. In addition, I doubt Mr H would have continued to pursue this particular complaint point if everything had functioned correctly.

As such, I consider it to be more likely than not that there were some problems integrating with Citi. What it has not been possible for me to identify is whether the integration did not happen due to an unavoidable technical glitch or whether it was due to a specific failure on Citi's part to be ready for foreseeable changes to its security key that were necessary when the UK left the European Union.

But I'm also mindful that it's possible that Mr H may not be significantly worse off because of an error on Citi's part since both the technology companies he wished to use made the commercial decision not to pursue an integration with Citi after all. This means that any integration that could have been possible at one time may not have been sustained or supported in the longer term.

It is inconvenient and frustrating to Mr H that he wasn't able to link his bank accounts to the account information service providers he wished to use. He wanted to be an early adopter and take advantage of the services and opportunities presented by developments in technology, but he was thwarted, initially because of technical difficulties outside of his control and ultimately because of a lack of appetite for integration with Citi.

Citi cannot fairly be held responsible for financial technology companies deciding not to integrate with it when there is no obligation for them to do so. But I do consider there has been a loss of opportunity here. It seems more likely than not that there was an issue with the service at Citi's end at some point, especially as more than one financial technology company has been able to provide some supporting evidence that they did try to pursue integration. This has caused Mr H some distress and inconvenience. He's gone to the trouble to raise this issue and he's spent further time contacting Citi to follow it up. Thinking about the impact that this has had on Mr H, and mindful that integration and connectivity is not guaranteed, I consider £150 compensation would be an appropriate award for this head of complaint.

Mr H's credit report does not show the correct legal entity for Citi

I am pleased to see the information reported on Mr H's credit file is now correct. For completeness, by late December 2023 the updates had also carried over to the credit information service Mr H uses.

There's no doubt that getting this right has been a long and arduous process. Mr H has done a lot of the running and engaged with multiple parties to drive this forward, including contacting the credit reference agencies and a credit information service himself directly and escalating issues via this service.

I understand Mr H's desire to have information connected to him be factually accurate. But I still consider it to be unlikely that a potential lender would have drawn adverse conclusions from the name of a legal entity not being technically correct. The data that is going to be of more interest to a potential lender when considering an application for credit is the payment history supporting how an account has been run and its turnover. Even if I am wrong about that, I've not seen any evidence to show that Mr H has suffered a financial loss as a direct result of the bank's legal name not being reported correctly. I'm also mindful that Citi did try to help Mr H mitigate any potential impact. It was willing to write a letter confirming the correct legal name in case of any ambiguity and it told him about adding a notice of correction to his credit file to add further information to an entry on a credit report which any potential lender would have been able to see.

I've thought about the impact this situation has had on Mr H. We don't make a specific award for someone's time, nor do we calculate awards for distress and inconvenience using an hourly rate. I'm also not able to make awards that would be punitive on Citi.

There's no question that this matter took a long time to sort out. Mr H first highlighted the discrepancy in 2021 and I accept his point that a long time had passed since the bank's legal name had changed, so there had already been ample time for Citi to make the required updates. But this administrative error didn't cause significant disruption to Mr H's daily life.

Whilst it was highly irritating, it wasn't something that had a day-to-day impact on Mr H's banking facilities. Taking all of that into account, I am unable to fairly award substantial compensation for this mistake.

But I don't agree that the further £25 that Citi has most recently offered fairly encapsulates the ongoing nature of what should have been a simple matter to sort out. The service Mr H received in relation to this issue has been excessively slow. When our Investigator considered the matter in February 2023, he suggested a further £100 compensation should be payable. I'm mindful that matters have been protracted and ongoing for many months beyond then, causing Mr H some exasperation as per the timeline I've set out above. With this in mind, I think a fair level of compensation for the distress and inconvenience specifically caused to Mr H just as a result of the incorrect legal entity being reported on his credit file would be £525 in total. Citi has already paid £375, so this is a further award of £150.

Overall

There's no doubt that Mr H has invested a significant amount of time towards pursuing matters to a resolution. Whilst I anticipate that my position may not go as far as Mr H would like, I am currently minded to say that Citi should pay him a further £300 compensation in addition to the £375 it has already paid to make a total award of £675 for the distress and inconvenience it has caused to him in connection with these matters."

Mr H was first to respond to my provisional decision. In summary, he said my provisional decision did not say enough about how slow Citi was to engage substantively with the Financial Ombudsman Service. He thought Citi could have done more to resolve the matter and taken steps to be proactive and engage more quickly. He suggested the matter should be referred to the regulator as Citi was not as prompt as it could have been. He said it was not clear to him why Citi required such full data regarding onboarding attempts by third parties, and that Citi's approach did not provide a good outcome for him as a consumer.

Citi responded to say that Mr H had not been negatively impacted by the failed integration and it was not obligated to integrate with any third-party providers of account information services. It said it had checked with its technical team to see if it could locate any interactions from the third-party providers Mr H had tried to use but had not found any. As such, it was not persuaded there had been any error from its end.

In relation to the incorrect name reflecting for Citi, it said that it did try to help Mr H mitigate any potential impact and were willing to write a letter confirming the correct legal name in case of any uncertainty. It recognised there were delays in completing the name change but did not feel they had a material impact on Mr H. It provided evidence from the credit reference agency to support that the entity name was correctly amended on 26 September 2023. It felt the compensation it had already paid and offered was fair and reasonable. It accepted there had been some inconvenience to Mr H and this had taken longer than expected to resolve, but felt the inconvenience had not had a material impact on a day-to-day basis. It concluded that a total compensation payment of £400 for all of the matters that form part of this complaint is a fair level of compensation.

As both parties have now had the opportunity to consider my position and respond, I shall now consider the matter afresh.

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 still think the compensation I recommended in my provisional decision is fair and reasonable in all the circumstances here.

In my provisional decision, I outlined how I'd reached my overall recommendation of £675 in total. I felt Citi should pay £150 compensation to recognise that Mr H had not been able to connect his Citi payment accounts to third party providers of account information services and £525 for the practical and emotional impact of Mr H's credit report not showing the correct legal entity for Citi.

Citi disagrees that it should have to pay any compensation for Mr H not being able to connect to the third-party providers he wished to use. It has not been able to find any evidence of an error at its end. But Mr H has been able to provide evidence to show he raised technical issues with the third-party providers he wished to connect with, and my own interactions with the third-party providers broadly supported this. I have already shared details of my contact with these third-party providers directly with Citi.

I do recognise that Citi hasn't been able to corroborate these events in its own records and that it's not possible for any more information to be obtained than what I currently have. But it's not unusual for me to have to decide complaints where evidence is missing or incomplete. Where there is a dispute about what happened, I have based my decision on the balance of probabilities – in other words, on what I consider is more likely than not to have happened in the light of the evidence. From what I have seen, I do still consider it is more likely than not that these third parties did try to integrate with Citi and could not do so because of an issue at Citi's end. I see no reason why two separate third party providers would say they had pursued an initial integration with Citi if they had not. I also see no reason why Mr H would have continued to pursue the matter if it was not going to be viable.

I still think there has been some practical and emotional impact on Mr H. He's gone to the trouble to raise this issue and he's spent further time contacting Citi to follow it up. Thinking about the impact that this has had on Mr H, and remaining mindful that integration and connectivity is not guaranteed, I still consider £150 compensation would be an appropriate award for this head of complaint, for the reasons I have explained here and in my provisional decision summarised above.

Turning now to the level of compensation for Mr H's credit report not showing the correct legal entity for Citi. Citi does broadly agree in principle that there has been some inconvenience to Mr H and that matters took longer than expected to resolve. Where there is no agreement is on the extent of the impact of these events on Mr H. Citi's position is effectively that Mr H has gone to a lot of trouble for an issue that would not have had a material impact upon him.

I acknowledge that Citi were willing to write a letter confirming the correct legal name in case of any uncertainty and I am persuaded on balance that such a letter would have been sufficient to allay any concerns a potential lender may have had about the identity of the legal entity. I have taken that into account as a mitigating factor to any potential financial loss as a result of this information being technically incorrect. But as I explained in my provisional decision, the communication from Citi when Mr H was attempting to resolve the issue has been poor. Mr H first raised this matter in September 2021 and has continued to pursue it since then to get things right. There's no question that he's done a lot of the running towards getting the information corrected.

Looking at the further evidence Citi provided in response to my provisional decision, it was not until 26 September 2023 that it received confirmation the required change had been made. This is still a long time to sort what should have been a simple administrative matter. In addition to this, I'm mindful that Mr H continued to raise this matter with Citi beyond 26 September 2023 because the timeline he'd been told for the change to be implemented had been extended and was then missed.

In response to my provisional decision, Mr H said I did not say enough about how slow Citi was to engage substantively with the Financial Ombudsman Service. I felt the timeline of events here spoke for themselves, especially when I said that Citi did not reply to our Investigator's view at the time it was issued and nor did it provide express clarity to me on whether it accepted or rejected that view when I asked. Whilst I am not a regulator and I cannot fine or punish Citi, I am mindful that these matters have been protracted over many weeks and months when thinking about the impact caused to Mr H.

Overall

Overall, for the reasons given in both my provisional decision and the reasons I've explained here, I remain of the position that my proposed resolution that Citi should pay Mr H a further £300 in addition to the £375 it has already paid is fair and reasonable. I still consider that Citi caused Mr H more than the levels of frustration and annoyance that you might reasonably expect from day-to-day life when he raised these matters.

My final decision

My final decision is that Citibank UK Limited should pay Mr H a further £300 compensation in addition to the £375 it has already paid to acknowledge the distress and inconvenience he's been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 11 March 2024.

Claire Marsh
Ombudsman