

The complaint

Ms W complains about Barclays Bank UK Plc (Barclays). Her complaint is about Barclays allowing her husband to close their joint account, with her knowledge or agreement – when they refused her request to close the account.

What happened

Ms W was in an abusive relationship with her husband, and in October 2018 they separated. They had a joint account with Barclays, used for paying household bills. Following the separation, given the abusive relationship, Ms W contacted Barclays in January 2019 (by visiting a branch) to ask them to close the account. However, she was told this needed the agreement of her husband, which he didn't give. As the account couldn't be closed, because her husband was using the account to incur personal expenditure, Ms W felt she had to credit the account with funds to avoid it becoming overdrawn and so household bills could continue to be paid. She was also anxious to avoid payments being missed or made late, which might be recorded on her credit file and so affect her credit record.

Ms W subsequently took legal proceedings, the outcome of which included a court direction that the joint account be closed. However, before Barclays became aware of this, Ms W's husband closed the account in June 2021 – but without her knowledge or agreement. At that point the account had a nil balance, but because the account was closed, regular payments from the account were cancelled.

Unhappy at the account being closed by her husband (without her agreement or knowledge) when told she couldn't close the account without his agreement, Ms W complained to Barclays. In their final response, they upheld the complaint. They acknowledged Ms W had shown she'd asked her husband to agree to the account being closed shortly after she said she'd been told by Barclays in March 2019 she needed his agreement. However, Barclays accepted this was incorrect and Ms W should have been able to close the account. Barclays agreed to reimburse £704.38 to Ms W, being the value of transactions on the account from March 2019 to its closure that were outside of household bills (which Ms W accepted). However, Barclays wouldn't reimburse the costs Ms W had incurred on legal and court fees as the joint account dispute was only part of the overall divorce proceedings. But Barclays did offer £250 in compensation for the distress and inconvenience Ms W had suffered.

Ms W then complained to this service. While her complaint was more than six months after the date of Barclays' final response, because of the circumstances of the case, Barclays consented to this service considering the complaint. Ms W was unhappy at her husband closing the joint account without her approval or authority, despite her asking Barclays to close the account on several occasions because of the financial abuse she'd suffered from him. She said she was told she couldn't close the account without his agreement. The closure led to several direct debits being cancelled, including ones she had with service providers. She was also unhappy that when she tried to restrict spending on the account through the banking app, it would only allow her to restrict spending on her cards on the account (not the account as a whole). She'd been affected financially and suffered distress over the period. She wanted Barclays to take domestic abuse seriously and that she be compensated for the distress caused.

Our investigator upheld the complaint, concluding Barclays hadn't acted fairly. She thought Ms W had been told by Barclays she couldn't close the account without her husband's agreement. She noted Barclays had acknowledged their error in allowing Ms W's ex-husband to close the account and she thought Barclays refunding Ms W £704 in respect of the transactions spent on the account by her husband (outside of household bills) was fair and reasonable. But the investigator didn't think Barclays' offer of £250 compensation reflected the distress and inconvenience she suffered - particularly given Barclays could have closed the account when Ms W first requested it in 2019. The investigator thought £500 would be fair. The investigator also thought Barclays should refund the fees they'd charged for unpaid items from the account (£96) and remove the fees from Ms W's credit file (if they'd been recorded).

Ms W disagreed with the investigator's conclusions and requested an ombudsman review the complaint. She didn't think Barclays's offer was sufficient for the distress and inconvenience she'd suffered over the two-year period before the joint account was closed, and that her husband was able to close it without her knowledge or agreement. She also said her credit score was negatively affected from being in an overdraft position for the period, affecting her ability to apply for a mortgage. She also thought her ex-husband had been treated differently (by being able to close the joint account) to the way she'd been treated by Barclays. She thought this was tantamount to gender discrimination.

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've considered very carefully what Ms W has told us about her circumstances and the nature of the financial abuse she suffered from her husband. I know it would have been extremely stressful for her, as would the uncertainty over her finances until the joint account was closed. This has been at the forefront of my mind when considering this complaint and I hope what I've said makes clear how I've reached this decision.

The main issue in Ms W's complaint is that Barclays wouldn't allow her to close the joint account she held with her husband, which she first requested in 2019, but they allowed him to close the account (without her knowledge or agreement) in 2021. In the intervening period she suffered stress and anxiety from uncertainty over her finances, as well as financial loss through the transactions her husband made on the account for personal expenses that weren't in respect of household bills.

From the evidence available, Barclays accept they gave Ms W incorrect advice when she requested the account be closed in January 2019 (that closure required the agreement of her husband). While Barclays doesn't have any record of Ms W visiting the branch, nor what was discussed and she was told, I've seen the evidence Ms W subsequently asked her husband to agree to the closure. I don't think she'd have done so unless she'd been told by Barclays his agreement was required. Together with Barclays' acceptance they gave Ms W incorrect advice, I've concluded she should have been able to close the account at that time. The account would have needed the agreement of both parties (to closure) had it been marked as being in dispute – but Barclays have no record of such a marker being applied.

As there wasn't a marker applied, and the terms and conditions of the account provide for either party to close the account, it seems Ms W's husband was then able to close the account in June 2021 without having to obtain Ms W's agreement (or without her knowledge). In doing so, Barclays were applying the terms and condition of the account. But had they not given Ms W incorrect advice (and the account closed when she requested it)

then the financial impact she's told us about would have been mitigated, as would the stress and anxiety she's described. I'll consider this impact when I set out what I think Barclays needs to do to put things right.

I've also considered what Ms W has said about what she considers to be gender discrimination in how Barclays treated her and her husband differently. I know Ms W feels Barclays discriminated against her because of her gender. But this service can't make a finding on whether an act or omission is discriminatory under the provisions of the Equality Act 2010, only a court can do this. However, I've taken it into account when considering whether Barclays acted in a fair and reasonable way. I've also considered whether her gender played a part in the way in which Barclays treated her and handled the issues with the joint account. Looking at what happened, I've not seen anything to indicate that they treated Ms W differently than they would've any other account holder. While I've concluded Barclays gave Ms W incorrect advice about closure of the joint account requiring the agreement of her husband, I've not seen anything to indicate this was other than a mistake. And in allowing her husband to subsequently close the account, Barclays were applying the terms and conditions relevant to closure of the account – so they weren't treating him more favourably than any other account holder.

The second issue in Ms W's complaint is the financial impact that the account staying open had on her. In their final response, Barclays agreed to reimburse Ms W £704.38 in respect of transactions paid from the account from March 2019 to its closure that were outside of household bills. My understanding is that Ms W accepted this element of Barclays final response. As such, I think that's fair and reasonable (the account had a minimal balance at the point it was closed).

A third aspect relates to fees charged for failed payments when the account was closed. Barclays have confirmed that 12 fees totalling £96 were charged. They've agreed to refund these fees as a goodwill gesture. I think that's fair and reasonable in the circumstances. As they've agreed to refund them, I also think any record of them should be removed from Ms W's credit file (if they're recorded).

Given what happened after Ms W requested the account be closed, I also think Barclays should remove any other adverse information on her credit file after she requested the account be closed, for example if the fees or the transactions outside of household bills took the account into an authorised or unauthorised overdraft position.

A fourth issue raised by Ms W is that she was led to believe that she could restrict payments made against the joint account through the Barclays banking app. Whereas she found the app would only put restrictions on the cardholder using the app (not the account). Which meant Ms W couldn't place restrictions that affected her husband's ability to spend against the account. While I recognise this would have caused further stress and anxiety to Ms W, I don't think it's unreasonable for the banking app to operate in this way. I say this because, if one of the two account holders were able to place restrictions on the account itself (and therefore on the other account holder) the risk would be that one account holder could thereby restrict the ability of the other account holder to access the account. Applied to Ms W's circumstances, it could have been used by her husband to affect her access to the account and to place restrictions on her ability to enter into transactions.

Having reached my conclusions on the issues in Ms W's complaint, I've thought about what would be fair and reasonable compensation for the distress and inconvenience she's suffered. Barclays initially offered £250. Our investigator thought £500 would be fair and reasonable. Ms W thinks it isn't sufficient for the stress and anxiety she's suffered. She's told us she feels a figure of at least £750 would be appropriate. In thinking about this issue, I've considered very carefully what Ms W has said. That includes what Ms W told us when

initially bringing her complaint, together with what she's said when disagreeing with our investigator's view. I've also considered the Family Court Report, which sets out in detail the nature of the abuse suffered by Ms W.

In deciding what's fair compensation in the circumstances, I need to think about the impact of Barclays's actions on Ms W, taking account of the specific circumstances of her case. Thinking about the circumstances of Ms W, I agree that she suffered very significant distress and inconvenience from what happened, particularly the length of time it took for the joint account to be closed from when she first requested it to be closed – almost two and a half years. Taking account of all these points and all the circumstances of the case, I think Ms W suffered significant distress and inconvenience which merits a substantial award.

I've thought about the impact of this on Ms W, I think it's fair for Barclays to offer compensation for the distress and inconvenience that the delay caused Ms W. I've noted that Barclays accepted our investigator's view that £500 compensation was fair and reasonable – but wouldn't agree to increase the sum as Ms W requested. However, taking account of all the circumstances, I think £650 would be reasonable.

My final decision

For the reasons set out above, it's my final decision to uphold Ms W's complaint. I require Barclays Bank UK PLC to:

- Reimburse Ms W £704.38 as the value of transactions paid from the joint account from March 2019 to its closure that were outside of household bills (if Barclays have not already reimbursed this sum).
- Refund Ms W £96 in respect of fees charged in respect of failed payments when the joint account was closed (if Barclays have not already refunded them).
- Remove any record of the fees in respect of the failed payments from Ms W's credit file (if they've been recorded).
- Barclays should remove any other adverse information on her credit file after she requested the account be closed.
- Pay Ms W £650 for distress and inconvenience.

Barclays Bank UK PLC must pay the compensation within 28 days of the date on which we tell them Ms W accepts my final decision. If they pay later than this, they must also pay interest on the compensation from the date of my final decision to the date of payment at 8% a year simple.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 18 July 2022.

Paul King
Ombudsman