

The complaint

Mrs P complains Barclays Bank UK PLC didn't do enough to protect her when there were large numbers of unusual transactions on joint accounts in her and her now ex-husband's names. And that Barclays Bank UK PLC allowed her now ex-husband to build up large amounts of debt and go beyond their overdraft limits all without warning her.

What happened

Mrs P has been a customer of Barclays for over 20 years during which time she's had joint business and personal accounts in her and her now ex-husband's names. They also opened a business account with another bank who I'll refer to as "S" throughout the rest of this decision.

Mrs P says she got married to her now ex-husband in 2001 and shortly after doing so they started working together as self-employed individuals. She says they ran a business together as a 50 / 50 partnership but never drew up a formal partnership agreement. She says they opened a joint personal account with Barclays when they got married and later on, in order to keep their personal and business finances separate, they opened a joint business account. She says they'd draw money from the joint business accounts to their personal accounts in order to cover living expenses. The business had an account with S too in relation to which they were both signatories.

Mrs P says she stopped working for the business in 2010 shortly before giving birth to their first child. She says that she had no day-to-day involvement with the running of the business from that point on. And that her now ex-husband stopped consulting her on work decisions – before they made most work decisions together. Mrs P says that she felt cut out of the business and uncomfortable still being a partner but decided to remain a "silent partner" because she trusted her now ex-husband to run things in the best interests of their family.

Mrs P says she let her husband took control of their finances – business and personal – after she gave birth. She says she trusted him completely to safeguard their family's financial security. Mrs P also says that she had problems with depression and anxiety throughout her married life – made worse by having to deal with finances. So, she stopped monitoring their finances shortly after stepping back. She says that she didn't monitor what was going on for over a decade because of this.

Mrs P says that she began to suspect that there might be a problem with the family's finances in 2022. Ultimately she ended up speaking to Barclays and S. She says she discovered that her now ex-husband had built up significant debts, had been committing fraud and was possibly involved in money laundering as a result. In short, after separating, Mrs P says she discovered that her now ex-husband had been economically abusing her for years. They've since divorced and her ex-husband has been charged with a number of fraud and dishonesty offences. Those offences include taking out over £200,000 in loans having forged Mrs P's signature and having used her ID without her consent.

Mrs P says that she went to her local Barclays branch in December 2022 to explain what had happened but that Barclays wasn't interested. She says Barclays told her that there was

nothing it could do as the dispute involved a joint account and that she was told to “go home and have a cup of tea”. Mrs P complained to Barclays about its response and about the fact that it hadn’t done more to protect her. She said that her husband had made a large number of unusual transactions that Barclays hadn’t alerted her to and had taken their joint accounts beyond their overdraft limits. She said that she was shocked by the amount of debt that he’d been allowed to build up and was unhappy that Barclays hadn’t done more to protect her.

Barclays says it looked into Mrs P’s complaint. Having done so, Barclays said that there was a limited amount it could do as the transactions Mrs P was complaining about were on joint accounts and were completed by one of the account holders. In the circumstances, Barclays said that this would be considered a civil dispute.

Mrs P complained to us – about Barclays and S – saying that both businesses’ responses had been poor. She told us that the amount of debt she was now in was severely affecting her health and had caused her to have a mental breakdown. She also told us that Barclays had sent her termination notices in relation to the joint accounts – demanding repayment of the outstanding balances – as a result of her husband being declared bankrupt.

One of our investigators looked into both complaints and asked both businesses to consider not pursuing Mrs P for the outstanding balances on the joint accounts given the extensive evidence that she’d been the victim of economic abuse, including the charging of her now ex-husband with a number of fraud and dishonesty offences. Both businesses declined. Barclays said that it made sense to wait for the outcome of Mrs P’s ex-husband’s trial.

Having unsuccessfully attempted to mediate, our investigator said that Mrs P had accepted that she would be jointly and severally liable for any future debts when her and her ex-husband opened the joint accounts that they opened. They also said that they couldn’t say Barclays ought to have identified the fact that Mrs P was at risk of financial harm. In the circumstances, they couldn’t say that Barclays ought to have done more to prevent Mrs P’s ex-husband from accruing the debt he did. So, they couldn’t say that Mrs P’s complaint ought to be upheld. Our investigator did, however, say that they trusted Barclays would going forwards ensure it offered Mrs P financial support whilst pursuing repayment of the debt in line with the standards of lending practice.

Mrs P didn’t agree with our investigator’s recommendation and asked for her complaint to be referred to an ombudsman for a decision. She said, amongst other things, that she was now in possession of a court order in which her now ex-husband had indemnified her from all debts accrued by the business. She said that if Barclays continued to pursue her for the debt this would not only disregard the court’s decision, but also perpetuate the undue stress and financial burden she’s been under due to her ex-husband’s fraudulent activities. Her complaint was, as a result, passed to me.

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.

Mrs P has shared a considerable amount of evidence with us, and we've shared some of this evidence with Barclays and S. I'm satisfied, based on the evidence that Mrs P has shared with us, that Mrs P has struggled with anxiety and depression for most of her married life, that finances often make her anxious and that she, therefore, trusted her now ex-husband to take control of their finances after she gave birth to their first child. I'm also satisfied that Mrs P stopped monitoring their finances around a decade ago, trusting that her now ex-husband was looking after her for the reasons I've just given. He didn't look after her. Quite the opposite, I'm satisfied that her now ex-husband took advantage of her. Notwithstanding that, I agree with our investigator that there was nothing to alert Barclays to this before Mrs P visited the branch in December 2022. Whilst I can understand why the branch might have said that there wasn't much they could do as all of the transactions on the joint accounts had been authorised by one of the account holders – consistent with the account's mandate – I can understand why Mrs P was upset by Barclays' response and, in particular, by the comment she says was made that she should "go home and have a cup of tea". I also do think there was more that Barclays could have done – for example, it could have explored whether it was worth changing the mandate on the account to both to sign, something which was only brought up later. I don't, however, feel that this would ultimately have made a significant difference as I can see that the joint account that accounts for the majority of the debt now owing has been over £20,000 overdrawn for years.

Mrs P has shared a considerable amount of evidence with us as I've already mentioned. Following my involvement, she's shared evidence of the order the court dealing with her and her ex-husband's divorce has made in relation to their respective finances and other evidence relating to the business they jointly owned. I can see that the order says Mrs P's ex-husband has to indemnify her in relation to the debts of the business they jointly owned. Whilst it's clear from the documents that Mrs P's ex-husband has been uncooperative and hasn't always been frank in his disclosures, it's evident that the court has considered both parties' financial positions and has had access to evidence that we haven't. So, whilst I trust Barclays will take what the court has said into account, there's nothing to suggest that the order is binding on Barclays as it was neither a party to the proceedings nor does the order require Barclays to only pursue Mrs P's ex-husband. The order simply gives Mrs P a right of recourse against her ex-husband.

In short, I agree with our investigator that there isn't more Barclays could have done before Mrs P told them what was going on. And it isn't unfair of Barclays to hold Mrs P liable for what were joint debts. That doesn't mean I think Barclays handled this well. I say that because I agree with our investigator that Barclays' initial response at branch was very poor. In addition, I endorse what our investigator said too, namely that I trust Barclays will going forwards ensure it offers Mrs P financial support whilst pursuing repayment of the debt in line with the standards of lending practice.

My final decision

My final decision is that it isn't unfair of Barclays Bank UK PLC to hold Mrs P jointly liable. But it needs to ensure going forwards it offers Mrs P financial support whilst pursuing repayment of the debt in line with the standards of lending practice.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 9 May 2025.

Nicolas Atkinson
Ombudsman