

The complaint

Miss W complains that National Westminster Bank Plc wrongly said she was a joint account holder with her late mother despite a power of attorney being in place for her.

What happened

Miss W explains that she received a power of attorney to her mother's account. She is unhappy that when she went to a branch to tell staff that her mother had passed away, she was treated unsympathetically. And told that this was a joint account and she'd be responsible for repaying the overdraft.

NatWest issued a final response letter saying that it had made a mistake and that in March 2020 Miss W ought to have been added only as a power of attorney to the account. And she shouldn't have been added as a joint account holder. She wasn't responsible for the overdraft of £511.37 and it credited the account with that amount to bring it to zero and closed it. NatWest also paid Miss W £150 in compensation for the additional upset caused.

When it submitted its business file to this service it said that in fact the account had been opened in July 2017 as a joint one with Miss W. This information was available on another system. It said Miss W hadn't asked to be removed as a joint account holder when the power of attorney was put in place. And so, no mistake had been made with the account. It recognised the distress for Miss W and said that the compensation reflected this.

Our investigator didn't recommend that NatWest do anything more. He said that a mistake had been made as Miss W was a joint account holder and a power of attorney may not have been needed. But when it was applied he didn't think it was necessary for her to remain as a joint account holder. So, he thought that many of the issues that had arisen could have been avoided. Our investigator considered that the credit to the account to clear the overdraft and the payment to Miss W of £150 was sufficient compensation. He appreciated that Miss W had to go into branch to access this money as it was paid to a savings account linked to the by then closed current account. And couldn't be accessed online. He also understood the financial position Miss W was in after her mother died but didn't think that NatWest was responsible for that.

Miss W wanted her complaint to be reviewed by an ombudsman. She said that this wasn't about the amount of compensation. But the process NatWest followed around the power of attorney and its policies when dealing with customers.

My provisional decision

I issued a provisional decision on 27 May 2025 to explain the reasoning behind my decision.

I'd said that I was sorry to hear about Miss W's loss. And about her financial and health issues which she explains were all made worse by NatWest's actions.

I said that I wasn't going to be in a position to ask NatWest to change its policies generally as we're not the regulator. But I was looking specifically at how Miss W was affected here.

It isn't in dispute that Miss W had a joint account opened with her mother in 2017. I'd seen that Miss W was given a lasting power of attorney generally in 2020 by her mother. And she's referred to issues with her mother's health after that time.

My understanding was that if NatWest has concerns about the potential capacity of any account holder – even where that's on a joint account – it's still likely to require a power of attorney so that the account can continue to operate. The position is that the other party to the account can then have a joint role – both as an account holder and also as a power of attorney. So, in Miss W's case it wasn't necessarily a mistake that she'd have both of those roles.

I'd not seen any specific information that Miss W asked for the account to be in the sole name of her mother when the power of attorney was put in place. And I couldn't fairly resolve what was said to her by NatWest at the time. I'd a copy of the signed NatWest power of attorney forms. And I thought that these are potentially confusing in the way they were completed and especially when applied to a joint account. Miss W also referred to the designation then of the account on the cheque book also leading her to believe that the account was a sole one. Her reaction to what happened has remained consistent with her genuinely believing this was no longer a joint account. And NatWest didn't seem to have a clear understanding of the position. So, I found on balance that although Miss W technically remained both a joint account holder and had a power of attorney for her mother she didn't reasonably understand that.

I didn't doubt from her testimony that she was upset and distressed when told in branch that she was responsible for the overdraft on the account. She didn't feel she was treated sympathetically given her loss and as she was trying to resolve an issue about past payments of her mother's pension. And especially given her own circumstances.

Taking all this into account I didn't think it would have been reasonable for NatWest to hold Miss W responsible for the overdraft as a joint account holder. And I found its credit of this overdraft amount to the account and the £150 of compensation for the distress caused and which was paid to Miss W's savings account to be fair. So, I said I wouldn't be asking NatWest to do anything further. And I could appreciate that this would come as a disappointment for Miss W given what she's been through.

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.

NatWest said it didn't have any further points that it would like me to consider.

Miss W said that during the pandemic NatWest told her that a power of attorney was required on the account. And the cheque book provided indicated the account was only in her mother's name.

Miss W said she had to go into a branch many times and this was the result of poor customer service. NatWest refused to refund a pension payment as the account was overdrawn and Miss W had to pay that herself. This all caused stress at a very difficult time and made her health condition worse and wasn't acceptable. She said that the policy varies between banks, and she didn't have any problems with a similar joint account at a different bank.

I appreciate the further comments from Miss W which emphasise her position on this complaint. I've considered them carefully and the impact of what happened for her. I'm afraid I don't find there's a basis to change my provisional decision and for the reasons I've already given. NatWest has now taken reasonable and fair action in light of what happened to resolve the complaint, and I won't be asking it to do anything more.

My final decision

My decision is that I do not uphold this complaint in the sense that I do not require National Westminster Bank Plc to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 22 July 2025.

Michael Crewe
Ombudsman