

The complaint

Ms C complains that the policy followed by Bank of Scotland plc trading as Halifax for joint accounts left her vulnerable to financial abuse, by her former husband (Mr C). And that it didn't have appropriate safeguards in place and failed in its duty to protect her assets.

What happened

Ms C initially complained to Halifax in 2020. Her complaint was dealt with by this Service. Our Investigator issued a view in September 2020. That concerned the opening of a joint bank account with Mr C in 2014 and how it was operated. This included the fact that he was draining the account without her knowledge as the statements weren't sent to her and she didn't have access to online banking. The complaint was closed in 2020. Ms C contacted us again in June 2024 with evidence of her former husband's financial abuse of her.

We advised Ms C that her complaint couldn't be reopened but that she may be able to raise a new complaint with Halifax. I understand that she did so and Halifax has considered the new complaint, as I've set out above.

Essentially Halifax did not agree with Ms C's complaint about the operation of joint accounts, pointing out that its procedures are common amongst financial institutions. It further said that at no stage up until November 2016, when Mr C's name was removed from the joint account, was it aware of any financial abuse.

On further referral to the Financial Ombudsman Service, our Investigator said he'd not seen enough to say that Halifax had acted outside of the terms of the account, or otherwise unfairly, so he didn't recommend upholding the complaint.

Ms C didn't agree and the matter has been passed to me for review.

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 note that in her response to our Investigator's view, Ms C has raised a number of issues which were previously considered by this Service when she made the complaint in 2020. I should explain that we generally do not reopen complaints which have been closed for that length of time. This is a question of fairness to both parties - considering the length of time since these issues arose. I appreciate that Ms C has shown us new evidence of Mr C's financial abuse. However, we haven't doubted that was the case and I understand that it was traumatic for Ms C, especially given her family circumstances at the time. The issue is whether Halifax should have taken some action on the account in light of her suffering financial abuse. However, the new evidence that she's provided doesn't in my view help with showing that.

So, for the avoidance of doubt, I won't be considering the matters set out in the Investigator's view in June 2020. This decision is limited to the complaint points that Ms C made to Halifax

in 2024. These are that Halifax's policy for joint accounts left her vulnerable to financial abuse, and that it didn't have appropriate safeguards in place and failed in its duty to protect her assets.

Ms C refers particularly to the fact that Mr C was able to operate the joint account without consent from her and get statements sent to his address. That particular issue was dealt with by the previous Investigator in 2020. With regard to the operation of the joint account, the parties sign forms to say how the account is to be operated ie either independently or jointly. And it is usual in banking procedures for owners of a joint account to be able to operate the account independently, it doesn't only apply to Halifax.

Ms C has told us she suffered financial abuse at the hands of Mr C from opening the account in 2014 until the account was transferred to her name alone in November 2016, and possibly after that date. Banks are required to consider customers' vulnerabilities when dealing with an account. But there is no indication that Halifax was aware of any risk that Ms C may have been a victim of abuse. We were previously made aware by Ms C about her allegations of spending on the account, but not until after the account was no longer in joint names.

To be clear, banks will not routinely manually review a customer's account. Issues might be flagged up like going constantly overdrawn or patterns of irregular spending, which don't apply in my view here. As Mr C was a joint holder of the account, Halifax wouldn't have queried transfers of money out to his other account – the system wouldn't have flagged that as an "irregular" payment. . And I've noted that a substantial sum was used, through solicitors, to buy a property, which I understand Ms C was aware of. As regards post November 2016, there's no indication that Mr C had access to the account – the spending was carried out with the card issued to Ms C only.

I appreciate that Ms C has provided evidence of her former husband's financial misconduct, but this was provided in court proceedings or by the police. They would have had powers to investigate such matters, but as I've said, there's no indication that Halifax could have been aware of it at the time.

So as regards safeguarding, it is possible for a bank in the case of disputes between joint account holders, or other concerns, to freeze an account. But as I've said there were no indications that Halifax was aware of the abuse here and so should have acted to freeze this account. The affected customer has to let their bank know if there are any such issues to be recorded on their account, but there's no evidence Ms C did that, and there's nothing else that ought to have led Halifax to question how the account was being operated.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 4 September 2025.

Ray Lawley
Ombudsman