

The complaint

Ms F has complained that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) allowed her joint account to be closed by her ex-partner.

What happened

Ms F held a joint account with her ex-partner. Ms F wanted to keep the joint account open as she paid Direct Debits from that account. However, in March 2025, without any warning, the other account holder closed the account.

Unhappy with this, Ms F complained to NatWest. But NatWest didn’t uphold the complaint. In summary it said that either one of the account holders could request that the account be closed and so it didn’t do anything wrong in acting on one of the joint account holder’s instructions in closing the account.

After Ms F referred her complaint to this service, one of our investigators assessed the complaint but they didn’t uphold the complaint.

As Ms F remained dissatisfied with the outcome on her complaint, the matter was referred for an ombudsman’s decision.

I issued a provisional decision on 10 November 2025, explaining why I was minded to partly uphold the complaint. I have included an extract of my provisional decision below and it forms a part of this decision.

“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.

Having reviewed everything, I’m currently minded to uphold this complaint in part. I will explain why.

Ms F has complained that NatWest allowed a joint account holder to close her joint account without her consent. But looking at the documents provided by NatWest, it seems to be the case that the joint account Ms F had with her ex-partner had been set up so that either one of them could request that the account be closed down - without needing the consent of the other account holder. As such, I can’t say that NatWest has acted incorrectly in following the instructions of the other account holder in arranging for the account to be closed down.

However, I understand that Ms F has complained because, just before the account was closed, she’d contacted NatWest as she’d seen suspicious payments being carried out by the other account holder. And Ms F says that, during that call, NatWest failed to make it clear that the other joint account holder could make substantial changes to the account, such as closing it, without her consent.

So, to understand what exactly was discussed, we asked NatWest to provide the telephone call recording from 19 March 2025. However, NatWest was unable to locate the call recording, and has only been able to provide a call recording from a conversation I understand Ms F had with NatWest on 18 March 2025.

As such, I've had to consider this complaint based on the recollections that Ms F has provided of the conversation and the recollections of the member of staff Ms F spoke to.

During the call on 19 March 2025, what I don't think is in dispute is that Ms F asked, for very understandable reasons, whether she could remove her ex-partner from the account without having to involve him. It seems that NatWest said that Ms F could not do that, without getting his consent. And given the very difficult circumstances Ms F was in, and as she was no longer in contact with the other joint account holder, I appreciate that would've been very difficult for Ms F to achieve and not something she'd want to do in the circumstances.

NatWest says it did discuss placing the account in dispute - which would've prevented payments being made from the account by either party (although I understand existing standing orders and Direct Debits could've continued to be paid from the account). However, NatWest says that Ms F declined to do this as she wanted to speak to her solicitor first.

That said, given that I think Ms F had explained she wanted to keep the account, I do think NatWest should've made Ms F aware that - although she'd need the other account holder's signature to remove him from the account - in the meantime, the other account holder was still potentially able to close the account without her signature. And based on Ms F's testimony, I'm not persuaded that NatWest did that, or at least, I don't think NatWest made this point clear enough to Ms F so that she could make an informed decision.

Had NatWest explained that was something the other account holder could've done, then I think that Ms F may've taken a different course of action and agreed to place the account in dispute.

As such, in the circumstances, I can't say that NatWest is at fault in allowing the other account holder to close the account. But, at the same time, I do think NatWest failed to make it clear to Ms F that the other account holder could make substantial changes to the joint account without her consent, such as arranging for it to be closed.

Based on what has been provided, I can see that the closure of the account has caused Ms F distress and inconvenience. For example, Ms F said she was shocked to find out the account had been closed without her consent, when she'd only just been told she couldn't remove the other account holder without his consent. I can see Ms F had many Direct Debits set up on the joint account - and I understand that Ms F had assumed responsibility for ensuring these payments continued to be made. Looking at NatWest's response to the complaint, NatWest did list them all off for Ms F, which clearly would assist Ms F in resolving those cancelled payments. However, Ms F was still left in the situation of having to manually set up a large number of cancelled payments on another account, with no notice.

So, I therefore think that an award of compensation for distress and inconvenience is

merited for this. When making an award I need to consider Ms F's specific circumstances – which clearly were very difficult, even before her account was closed. But I am also mindful that this service cannot punish or fine a financial institution. With this in mind, I currently think that £300 is an appropriate level of compensation.

Finally, I can see that Ms F has asked for the account to be reopened. But I can't reasonably say that should happen here – given that the instruction to close the account was given by one of the account holders and more importantly, the account was a joint account when it was closed. And as NatWest has explained, if Ms F wants to reinstate the insurance features that had been on the joint account, she can do that by upgrading a sole current account to one of its packaged accounts. This seems like a reasonable way for Ms F to regain similar insurance benefits to the ones she'd lost.

Putting Matters right

To put matters right, I intend to say that NatWest should pay Ms F £300 for the distress and inconvenience caused by this matter.”

After I issued my provisional decision, both Ms F and NatWest responded. Ms F responded and said that the account had originally been in her name. Ms F said she'd wanted the account to be reopened to regain the financial history from when she left school and also because her credit score had dropped recently.

NatWest also responded and said it doesn't agree with my provisional decision. NatWest said that it was within its terms and conditions that either party can close the account and Ms F had agreed to those terms when the account was made a joint account. NatWest said that it made Ms F aware that she could place the account into dispute and she chose not to, and so NatWest should not be held responsible for Ms F's decision. NatWest also said that it was hypothetical scenario that Ms F wanted to keep the account.

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 reviewed the response from both parties I remain of the view that this complaint should be upheld.

Ms F says that the joint account had originally been a sole account in her name. However, although I was aware of that from reviewing the complaint, once it became a joint account, this meant that both parties became jointly and separately liable of the account. Or to put it another way, once the account became a joint account, Ms F didn't have any particular priority over the other joint account, just because it had originally been in her sole name. And so the joint account holder was able to carry out the same actions (such as closing the account) as she did.

Ms F says that, following the abrupt account closure, she said her credit score had dropped. However, whilst it's difficult to say with any certainty how much the closure on its own contributed to that drop, I accept that the closure may've had a small temporary impact on her credit score.

In terms of NatWest's response, it says that it is within the account terms and conditions that either party could close the account down. However, I did acknowledge that in my

provisional decision and said it wasn't at fault for acting on the other joint account holder's instructions to close the account for that very reason. But where I do think there were likely to have been shortcomings was in terms of the information that NatWest gave to Ms F.

NatWest says that it told Ms F she could place the account into dispute and she said she didn't want to. But I think the issue here is that, from the competing testimonies that have been provided, it doesn't seem that the one person signature mandate was made clear to Ms F. For example, I'm satisfied it was made clear to Ms F that she could not remove the other joint account holder without his consent. But I don't think it was made clear that he could close the account down without Ms F's consent. Given that having the account was clearly important to Ms F I think this is something that ought to have been made clear to Ms F, when discussing the implications of not placing the account into dispute.

NatWest says that Ms F wanting to keep the account open was a hypothetical scenario. However, Ms F has made it clear throughout this complaint that she very much wanted to keep the account if at all possible – and ultimately this seems to have played a part in her not agreeing to place the account in dispute when she had the chance - not realising that the other account holder could close the account even if she wanted to keep it. I note that, due to the circumstances that Ms F found herself in, NatWest could've offered Ms F the chance to remove herself from the account without the other account holder's consent. But given that she clearly wanted to keep the account, then I don't think she would've agreed to this, even if it had been offered.

Overall, the evidence I have been provided with suggests that NatWest failed to sufficiently explain the implications of what could happen by not placing her joint account into dispute. Or at the very least I think that it should have highlighted the main things that could happen if the account was not placed in dispute. I think that this led to Ms F not being able to make a fully informed decision, and gave her the impression that the other account holder could not make any major changes to the account (such as closing it) without her consent – when that was clearly not the case.

So whilst I don't think NatWest is at fault for allowing the other account holder to close the account in question, I do think that NatWest's failure to provide Ms F with all of the important information caused Ms F distress and inconvenience when she discovered that the account had since been closed (against her will). Had things gone as they should've, and the implications of placing the account into dispute had been made clearer, I think it's likely that Ms F would've acted differently and would've agreed to place the account into dispute. And whilst it's possible that the account may've ended up eventually being closed down, Ms F would've had time to arrange alternative finances and set up payments to the many Direct Debit originators when she was able to.

In terms of the redress I proposed in my provisional decision, I acknowledge that NatWest feels that the amount is too high. But, when deciding how much redress was warranted, I have taken Ms F's actual circumstances into account. Specifically, I've taken into account the fact that Ms F was in a highly vulnerable situation - for example, she was having to move location every so often and manage her finances as best she could, whilst she went through the process of separating from her ex-partner. And so I think the distress, shock and inconvenience Ms F experienced when she discovered her account had been closed without her consent (when she'd only just been told she couldn't remove the other account holder without his consent) was much greater than it otherwise normally would've been. Therefore, I remain of the view that this complaint should be upheld.

Putting things right

To put matters right, I require NatWest to pay Ms F £300 for the distress and inconvenience caused by this matter.

My final decision

Because of the reasons given above and in my provisional decision, I uphold this complaint and require NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY to do what I have outlined above to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 12 December 2025.

Thomas White
Ombudsman