

The complaint

Mr K complains National Westminster Bank PLC (NatWest) blocked his access to a joint account then removed the other party from the account, without his authorisation and without consulting with him.

What happened

Mr K explained NatWest had frozen a joint account he held with it on 11 March 2025. Mr K said NatWest didn't tell him about this freeze and he only discovered it had happened on 25 March because of another issue. Mr K thinks the other party to the joint account gave misleading information to NatWest, which led to it placing the block on the account erroneously. Mr K complains NatWest didn't discuss this information with him and based its decision solely on the information provided by this third party.

Mr K said NatWest also removed the other party from the joint account, without his knowledge or consent. This left him responsible for the outstanding overdraft and bank charges. Mr K also explained the third party moved funds through the account when he didn't have access to it, without NatWest checking with him.

Mr K complains NatWest didn't treat him fairly, didn't notify him about the changes, didn't seek to verify the information the third party had provided it, caused him financial loss and deprived him of accessing his own money.

Mr K explained he wanted '*full disclosure*' of how and why NatWest placed the freeze on the account and removed the joint account holder. He also wants the funds lost refunded, compensation for the distress and inconvenience this has caused him and an apology. He also requested a review of the conduct of staff involved and wanted to know whether there were any conflicts of interest.

NatWest wrote a final response letter to Mr K. It explained its policy is not to inform the other party when one party places a block on a joint account, confirming the other party requested the block on the 11 March and it lifted the block on 25 March. NatWest confirmed it had removed the joint party from the account, and the correct process had been followed. NatWest also said the debit interest of just over £100 had accrued when both parties were jointly and severally liable.

NatWest paid £100 compensation for sending an incorrect text message regarding a change of address, which it accepted was an error, but it didn't accept it had made any error regarding the administration of the joint account.

Our investigator thought NatWest had not treated Mr K fairly. They explained they couldn't see, based on the limited responses from NatWest, it had provided sufficient evidence to support its decisions. They therefore thought, because of this lack of evidence, NatWest should pay compensation of £200 for the distress and inconvenience caused.

Our investigator didn't think it was reasonable to expect NatWest to refund any financial loss because of the account being overdrawn. They thought the evidence from the statements demonstrated both parties were jointly and severally liable for these charges, explaining the terms and conditions of the account supported this.

NatWest accepted our investigator's recommendation. Mr K remained dissatisfied, outlining how he thought the issues were more serious and required further investigation. He set out

the conditions under which he would accept the offer of compensation, which included a letter of apology and the steps he required of NatWest.

As Mr K rejected our investigator's recommendation, his complaint has been passed to me to make a final decision.

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 was sorry to hear of the problems Mr K has recently faced. I can see it has been a difficult time for him and I appreciate how strongly he feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

As our investigator explained, NatWest hasn't provided evidence to support its position regarding the block and removal of the joint party. I contacted NatWest and sadly this position has remained the same. I do understand why NatWest has been reluctant to provide information because of data protection laws, but I do not agree it couldn't do so in these circumstances.

Whilst this is unfortunate and means our service can't consider and comment on NatWest's reasons in detail, I am satisfied it doesn't stop our service from reaching a decision in these circumstances, I shall explain why.

Firstly, I recognise this complaint is concerning an account block and removal of a joint account holder from one account. I have therefore decided to take a proportionate approach to this complaint considering the issues at hand and our services remit in such complaints.

I also note both parties, NatWest and Mr K, should appreciate this is a sensitive matter involving a dispute between two joint account holders where a relationship has apparently broken down. I acknowledge the difficulties financial businesses often face in such circumstances and also recognise there are steps individuals can and should take in such situations to notify of such disputes.

NatWest has provided its terms and conditions regarding joint accounts and has said these allow it to take the action it did. These terms, under section three, explain it can remove a party from a joint account, under certain conditions, if a party requests it, without the agreement of the other party to the account. These terms and conditions also explain joint account holders can carry out various activities without the consent of the other party. It also states if one party doesn't want the account to operate in this way, then either party can tell NatWest only to accept instructions where both parties have agreed to it.

Joint accounts make both parties jointly and severally liable for charges and fees, which means either party can be pursued, individually, for any such debt accrued by either party to the account. This would have been agreed to when the account was opened and is accepted industry practise with regards to the operating of joint accounts. I can see this is also explained in the terms and conditions for this account.

NatWest has said Mr K didn't ask for any restriction on the account or notify it of any dispute between the parties to the account. I also note Mr K hasn't said he did this in advance of the issues at hand. It therefore seems likely NatWest didn't know there was any dispute regarding the account.

However, whilst I am therefore satisfied the terms and conditions outlined above *allowed* NatWest to take the action it has, I must also be satisfied NatWest has been fair and reasonable in implementing such terms and conditions. Our service would usually contrast the terms and conditions with the evidence the business says supports its decision to form a view.

Having considered the submissions by NatWest, and having requested further clarification since our investigator's recommendation, I am not persuaded it has provided enough *evidence* to support its decision to block the account and remove the other party.

I therefore can't say with any certainty whether NatWest's actions were fair and reasonable and in line with its terms and conditions.

However, 3.5.2 (3) of the dispute resolution handbook (DISP) says our service can '*reach a decision on what has been supplied. And take account of the failure by a party to provide information.*'

Because of this, I am satisfied I should find NatWest didn't act fairly or reasonably, as it wouldn't be fair to find otherwise due to the lack of evidence provided by NatWest. I therefore uphold Mr K's complaint.

Mr K has also raised issues regarding complaint handling, I have considered these but am satisfied they are not matters our service can consider in these circumstances. Complaint handling is not in itself a regulated activity.

Having decided Mr K hasn't been treated fairly by NatWest, I now move on to what I consider is the impact on him.

I have no doubt these issues have caused Mr K some distress and inconvenience. From the correspondence to our service and NatWest I can see he is understandably frustrated. I am mindful an apology in the circumstances wouldn't resolve this issue as without an explanation, Mr K will more than likely remain dissatisfied. Consequently, I think any such apology would be somewhat meaningless.

I therefore think a reasonable resolution would be for NatWest to pay compensation for the distress and inconvenience it has caused Mr K. I'll now discuss what I consider to be a fair and reasonable award.

I can see NatWest did reinstate the account within two weeks of Mr K becoming aware of the block, so the impact here of not having access to the account was of a few days.

With regards to the removal of the other party to the account, I have no reason to suspect NatWest were not acting in accordance with the wishes of the other party. As I have explained, there are mechanisms for the removal of a party from a joint account in certain circumstances. But as these have not been explained or otherwise corroborated with evidence, I accept this will have caused Mr K some distress and inconvenience.

For these reasons I am satisfied this impact has been more than just minimal and has required a reasonable effort on Mr K's part. I therefore agree with our investigator's recommendation NatWest should pay £200 for the distress and inconvenience it has caused Mr K.

Finally, our service is an informal alternative dispute resolutions service. We aim to resolve disputes between parties informally without the parties needing to take court action. I understand Mr K has alluded to financial losses from the joint account and understand there are ongoing legal proceedings between him and the other joint account holder. It may be the case these issues are better suited to Court.

I appreciate Mr K may be disappointed with my decision, but I trust he appreciates the limitations of our service here. In closing, I would remind Mr K if he rejects my decision, NatWest would not be bound by it and alternative options remain open to him including taking legal action.

My final decision

For the reasons I have given, my final decision is I uphold this complaint and require National Westminster Bank Public Limited Company to pay Mr K £200 compensation for the distress and inconvenience it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 12 January 2026.

Gareth Jones
Ombudsman