

complaint

Mrs R complains that National Westminster Bank Plc did not properly deal with her joint account access.

background

Mrs R and another party held a joint account with the bank. Mrs R also held a sole account in her own name.

Mrs R says she attended a branch of the bank and asked that the account be frozen, which would prevent money being taken out of it. The bank did not do this, but referred her to her account manager.

The bank says that the specific request to freeze the account was not recorded. Mrs R met with her account manager and informed them that her relationship with the other party to the joint account was changing such that the joint account would not be continued.

The account was frozen a week after this meeting. In this week, two direct debit payments were taken, which increased the overdraft on the account.

Mrs R says that, during that week, she had to make a payment which would have paid off the overdraft. She had not done so prior to this as she was concerned that the other party could have taken the funds while the account was not frozen.

Mrs R also learned at this time that her online access to the account was frozen. The bank says that this was due to her entering an incorrect PIN on a number of occasions, which meant her access was locked.

Mrs R sought to have her online access restored, but this took some time as the bank had not identified a separate block which had been put in place. This block has since been removed.

The adjudicator agreed that the bank had not properly dealt with Mrs R's complaint. They thought that the bank ought to pay £300 in relation to the distress and inconvenience caused by the bank's mistakes. They also thought that the bank ought not to hold Mrs R liable for the direct debits which were taken following her meeting with the account manager.

Mrs R did not agree that this properly dealt with her complaint and so this has come to me for a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having considered the evidence before me, I am satisfied that Mrs R and the other party held a joint account, and that neither party was a primary account holder. This being the case, they are jointly and severally liable for any debts arising from it.

I think that, at the date of the meeting with the account manager, the bank had been provided with enough information to know that Mrs R wished for the account to be frozen.

Given the fact that she was an account holder, it ought to have acted on this information at this time.

Mrs R says that the only reason that the debt still exists at all is the delay. She says that she would have paid it off but for the failure to freeze the account in good time. I cannot agree that this is the case.

Mrs R, together with the other party, owed the money to the bank. She says that she had the funds to pay off this debt, but chose not to because she was concerned that the other party could withdraw the funds. This was a decision for Mrs R, and not one that the bank was involved in.

I do not think, given this explanation, that the bank prevented this debt from being paid off earlier. I do not think it is right to say that the bank's mistake and delay has caused this debt to exist today.

I do agree, however, that the bank has made mistakes in how it has handled Mrs R's account. They ought to have frozen the account in line with her instructions, and they ought to have got to the bottom of her online access sooner.

I agree with the adjudicator that £300 is an appropriate amount to compensate Mrs R for the distress and inconvenience caused by these mistakes. I also agree that, given the specific circumstances, Mrs R ought not to be liable for the direct debits which were taken from the account following the meeting.

my final decision

For the reasons given above, I think that National Westminster Bank Plc ought to pay £300 to Mrs R. They must also account for the element of the outstanding debt which is directly attributable to the direct debits, including any fees and interest. Mrs R will not be liable, and ought not to be pursued in any way, for this element.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 8 May 2017.

Marc Kelly
ombudsman