

The complaint

Ms B complains that Barclays Bank UK PLC failed to notify her that a joint account she had had with her former partner remained open after 2017, and that she is now being pursued for an overdraft debt on the account.

What happened

Ms B advised that in August 2017 at a meeting at a branch of Barclays, she and her ex-partner reached an agreement that the latter would be responsible for the debt on the joint account. She asked for her name to be removed from the account but this was refused as the account still had an overdraft on it. She says she didn't realise that her ex-partner was still using the account and incurring more debt on it. In 2019 the account was closed and the debt referred to recovery agents. Ms B says she knew nothing about this until she received a letter from those agents in August 2022, saying the debt had risen to over £2,900, an increase of over £900 since 2017.

Ms B points out that the reason for the separation in 2017 was because of her ex-partner's emotional and financial abuse. She says that this was all pointed out to Barclays in 2017. She feels that Barclays should have frozen the account or at least required joint signatures before allowing any further transactions. As part of that abuse she says that her ex-partner removed letters that were sent to her about the overdraft. She also feels that as the debt is her ex-partner's responsibility, she shouldn't be made liable for it.

Barclays received Ms B's complaint through the debt recovery agents, saying that she believed that her name had been taken off the account in 2017. It explained that it had been unable to do this as the account was overdrawn. It said that it had sent a number of letters and regular statements to the address it had on record for Ms B

After referral to the Financial Ombudsman Service, Barclays explained that it had no record of a meeting in August 2017 when the ex-partner agreed to be responsible for the debt. Though it did have a note of a meeting in April 2017 when it was explained that the joint account could not be closed nor could Ms B's name be removed from it whilst it was overdrawn. It did say that as well as receiving regular statements, Ms B used the Barclays app regularly and the details of the joint account would have been evident on the app.

Our Investigator said in accordance with the terms and conditions of the joint account, both account holders are jointly and severally liable for any debt. She was unable to find any note of a meeting in August 2017 when Ms B said Barclays was told about the agreement between her and her ex-partner. She noted that this was an agreement between the parties which Barclays wasn't party to. It had explained why it could not remove her name from the account and as the parties appeared to be in agreement there was no reason why Barclays should have frozen the account. She also noted that Ms B was using the app during this time which would have shown full details of the joint account.

The matter has been passed to me for further consideration.

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 do sympathise with Ms B. It must have been distressing to her to find out that her ex-partner had continued to run up debts in their joint names. But, and I appreciate that Ms B will be disappointed, I will not be asking Barclays to take any further action.

Clearly if someone is suffering economic or financial abuse and the Bank is aware of that, there should be procedures it could put in place. However in Ms B's case there aren't any notes of her vulnerability on Barclays' case notes. Its notes of a meeting which took place in April 2017 indicate that the joint account could not be closed whilst it was still in overdraft. And as Ms B was aware of the account being overdrawn, I don't think that she could reasonably have expected at that time for the account to be closed.

I appreciate that Ms B expected her ex-partner to pay off the overdraft. But Barclays wasn't party to any agreement she may have had with him, so there was still a joint and several liability for the debt on the account. This did mean that either or both parties could be pursued for that debt. I have seen that Barclays sent a number of letters to Ms B advising her of the overdraft and that the situation had become critical. The account was closed in July 2019 following a termination notice, also sent to Ms B.

I note Ms B's assertion that she did not receive any of the letters, because her ex-partner was able to remove them from the property before she saw them. Nevertheless, in light of the fact that Barclays wouldn't have been aware that this might happen and that it sent the letters to her at the address it had registered for her, I can't hold it responsible if the letters were not received.

I further note that Ms B had access to the Barclays' banking app and was using it in 2019 before the account was closed. As the app provided full details of any accounts in which she was a named party, I think she should have been aware of the joint account, that it was still being used and that it was still in overdraft.

As regards Ms B's assertion that Barclays should have frozen the account, our Investigator has pointed out the following in the terms and conditions of the account:

"If we know there's a dispute between people named on a joint account, we may insist that you jointly consent to what you are asking us to do. If that happens, we'll also turn off Telephone Banking, Online Banking, and the Barclays app. We'll also suspend your payment tools (e.g., cards). This is because these work with just one person's permission. We'll ask each of you to come into a branch to let us know jointly what you want to do."

Here there was an apparent agreement between the parties, and no indication that Barclays was aware of any dispute. So I don't think that Barclays could have been expected, in the circumstances of this case, to take action to prevent any further transactions on the account after 2017.

I also don't think it was unfair in the circumstances of the case to pass the matter on to debt recovery agents. Whilst I note that Ms B appears to be being pursued for the debt, rather than as she thought she had agreed, her ex-partner, it is a matter for Barclays' agents. I understand that any action regarding recovery of the account is currently on hold. Ms B should contact them to agree a repayment plan or any further steps that could be taken. I am aware that she has been given details of organisations that may be able to help her in this respect.

Finally, I note that Ms B says she was not aware of a savings account, which was also in joint names and which had £200 in it. This would also have been evident on the app but I do note that she has been able to get that account closed down and the money transferred to the debt recovery agents.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 14 November 2023.

Ray Lawley
Ombudsman