

The complaint

Miss M complains that the Co-operative Bank PLC closed a joint account which she had had with her former partner, without her consent.

What happened

In April 2022, the Co-op Bank received a telephone call from Miss M's former partner requesting that it close down two accounts one of which was a joint account which had been held with Miss M. The account had had a zero balance and no activity had taken place on the account since October 2021. So it could be closed down straight away.

Miss M told the Co-op Bank that she hadn't consented to the account closure, and only became aware of it when her credit score changed. She also said that she had wanted to complete a zero interest balance transfer but was unable to do so because of her credit score. The Co-op Bank had also declined a request from her for a limit increase on her credit card. She explained that she had had the account for over 20 years and as it was closed down her oldest active account was only three years old, affecting her credit score.

The Co-op Bank explained that it had acted on the telephone call from Miss M's former partner. As the account was in joint names, either party could request its closure. It did say that whilst having accounts for a long time could strengthen a credit score it was very unlikely that this would be the sole reason for declining to increase her credit limit. She had in any event recently been granted a credit limit increase.

On referral to the Financial Ombudsman Service our adjudicator said that the Co-op Bank had not done anything wrong by acting on her former partner's instructions alone. So it was able to close the account on the instruction of one party. They also said that they couldn't see that her inability to complete the transfer or to obtain a rise in her credit limit was linked to the closure. They noted that she had subsequently been granted an increase in her credit limit.

Miss M disagreed, pointing out that her former partner had only wanted to remove their name from the account, not to close it down altogether. She has produced text messages between her and her former partner concerning this. She further said that the reason for the Co-op Bank's initial refusal to increase the limit on her credit card was because of the closure of the account. For similar reasons, she says that she couldn't complete the balance transfer and she was therefore liable for interest and charges.

Miss M raised further complaints that the Co-op Bank failed to make adequate adjustments in respect of her health issues in dealing with her complaint and the consequences of what she felt was the Co-op Bank's error.

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.

Miss M has raised complaints that she feels that the Co-op Bank have let her down and have not taken into account her disabilities (as per the Equality Act 2010), as it did not provide support where needed via their specialist internal team and just left her to struggle financially which ended up causing her distress, depression and anxiety. This is essentially a complaint of discrimination which hasn't been put to the Co-op Bank. As it is a serious complaint I don't think it would be appropriate to deal with it here, as the Co-op Bank would need to provide Miss M with an answer on this specific complaint. If she wants to raise this complaint of discrimination as a new complaint, I would ask her to get in touch with our Investigator who will advise her as to how to go about doing this.

closure of the account

It is clear that the terms and conditions of the joint account meant that each party could operate it independently, including being able to close the account. As it had a nil balance on it and hadn't been used for six months at the time of the closure, I don't think there was anything as a consequence of that phone call that might have alerted the Co-op Bank adviser to take any further action before closing the account.

As for Miss M's contention that her former partner had only intended to have his name removed from the account, I have considered the phone call when the accounts were closed. The Co-op adviser said several times that both accounts would be closed. Miss M's former partner accepted this and did not push back to say that they only wanted their name removed from the account.

effect on credit status

Whilst I accept that having an account for more than six years can enhance somebody's credit status, I haven't seen evidence that the closure of this account was the sole reason why Miss M's request for an increase in the credit limit on her credit card was initially refused. Nor have I seen evidence that this was the sole reason why her balance transfer could not go ahead. So I think it likely that if both transactions could not go ahead there were other reasons for this.

If the closure of the account did affect Miss M's credit status, given that I have found that the Co-op Bank acted reasonably upon Miss M's former partner's instructions, then I can't find it responsible for any such affect. As I've said above, if Miss M believes that the Co-op Bank did not take account of her disabilities then that is a different matter which she will need to present as a separate complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 6 October 2023.

Ray Lawley
Ombudsman