

The complaint

Mrs M is unhappy that National Westminster Bank Plc (NatWest) haven't accepted her husband's affidavit that outstanding debts listed jointly in both their names are his sole responsibility. Mrs M is also unhappy that NatWest haven't responded to a subject data access request that she made or that they haven't acknowledged her complaint.

What happened

In 2019, Mrs M was contacted by a third-party debt collection company about a balance outstanding. It was explained to Mrs D that the balance was an amalgamation of a credit card, loan, and overdraft balances, all with NatWest. Mrs D asked the debt collection company for copies of all the relevant documents and was informed that these had been requested from NatWest at around the beginning of November 2019.

In March 2020, with Mrs M having not received the documents she'd requested, she telephoned NatWest directly to raise the request again and to lodge a formal complaint. In addition, Mrs M also sent NatWest a letter by recorded delivery reiterating her complaint and data subject access request, but this letter was later returned to Mrs M unopened and without explanation. Finally, Mrs M visited her local NatWest branch seeking assistance, but was told that she couldn't be helped in branch and would have to contact NatWest's customer service – which Mrs M had already tried without success.

Frustrated at receiving no response from NatWest, and with the disputed adverse credit file reporting relating to these balances causing Mrs M increasing distress because of issues she was having refinancing her mortgage while that adverse reporting was in place, Mrs M referred her complaint to this service.

One of our investigators attempted to liaise with NatWest about this issue and asked NatWest to respond to Mrs M's complaint and issue a final response letter. However, NatWest's initial responses to this service were perfunctory, and ceased altogether after March 2021, at which time NatWest had providing some, but not all, of the information requested from it by this service. Furthermore, to date, NatWest have also not issued a formal response or acknowledgement of Mrs M's complaint as requested.

In the absence of continuing engagement from NatWest, our investigator looked at this complaint. They noted that NatWest had confirmed to this service that they'd only been able to locate limited documents as the accounts were all over ten years old which meant that many account documents were no longer retained. However, NatWest were able to provide a loan document showing that the loan was opened in Mrs M's and her husband's joint names in 2005.

Our investigator also noted that, given that the accounts were in joint names, it was at NatWest's discretion as to whether they were willing to accept an affidavit signed by Mrs M's husband absolving Mrs M of responsibility for these loans. And NatWest confirmed to this service that they weren't willing to accept this affidavit.

Because of this, our investigator didn't feel that they could reasonably recommend for

NatWest to amend Mrs M's credit file as she would have liked, although they did feel that Mrs M had been significantly distressed and inconvenienced by NatWest's failure to engage with her about this matter, and so they recommended that NatWest pay Mrs M £800 compensation because of this.

Mrs M wasn't satisfied with the recommendation put forwards by our investigator, and NatWest didn't respond to say whether they accepted our investigators recommendations or not. So, the matter was escalated to an ombudsman for 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 issued a provisional decision on this complaint on 4 March 2022 as follows:

I can appreciate how Mrs M might feel, given that her husband has signed an affidavit absolving her of responsibility for these accounts that were initially taken in her and her husband's joint names, that she should no longer be incurring the adverse reporting on her credit file in regard to these accounts that she is.

However, while Mrs M's husband may have signed that affidavit, given that the accounts in question were taken as joint accounts and are therefore in both Mrs M's and her husband's names, there is no obligation on NatWest to accept the affidavit signed by Mrs M's husband or to consider these balances as no longer being jointly and severally outstanding.

NatWest have confirmed to this service that they don't accept that affidavit, and that they consider that the accounts remain in Mrs M and her husband's joint names and that therefore Mrs M and her husband remain jointly and severally liable for the outstanding balances such that the credit file reporting on Mrs M's credit file is fair and reasonable.

Given that NatWest are entitled to take this position, I find it difficult to conclude that NatWest have treated Mrs M unfairly by continuing to consider the accounts as being joint accounts or by making the reports to Mrs M's credit file that they have. And while I appreciate Mrs M will be disappointed by this outcome, I don't feel that I can fairly or reasonably uphold this aspect of her complaint.

I'm aware that Mrs M feels that NatWest continuing to report adverse information to her credit file has caused detriment to her given that it's affected her ability to get a favourable mortgage rate. But accepting as I do that NatWest's credit file reporting is fair and reasonable, as explained above, I also won't be upholding this aspect of Mrs M's complaint.

However, I am satisfied that NatWest's ongoing failure to engage with Mrs M about this matter, including NatWest's failure to engage with this service, will have had a significant impact on Mrs M. I say this because Mrs M has been without NatWest's answer on this issue for some time and I can appreciate this will have meant that she feels she's had no closure on this matter. So, Mrs M has remained distressed and inconvenienced by this matter for a wholly unreasonable and unnecessary amount of time – essentially since the end of 2019.

Mrs M has told us about the stress she's suffered, brought about in the large part by the uncertainty of not having this matter addressed by NatWest. And even though

what NatWest would have said about this complaint would likely not have been the outcome Mrs M wanted, I think it's fair to say that NatWest is responsible for a lot of the uncertainty she's felt here. Importantly, NatWest could have quickly and reasonably resolved this by responding to either Mrs M, or this service, over the large period of time that this matter has been outstanding. I consider the impact on Mrs M of NatWest's failure to engage with her and formally respond to her about this matter to have been significant.

I do need to acknowledge that I'm not upholding Mrs M's complaint in regard of the affidavit signed by her husband. But I've also considered the understandable hope that Mrs M has held for this long period of time that she thought her desired course of financial action might be possible in the absence of being told that it wasn't.

In not responding to Mrs M, NatWest has also not allowed Mrs M to move forward from an informed position. Nor has it advised what the correct position is and what more she could have done. Those suggestions may not have been what Mrs M wanted, but they'd no doubt mean that she would have been in a more informed position sooner than she now is.

While our investigator recommended a compensation amount of £800 – I feel that bringing this amount to £1,000 would be more reflective of the impact NatWest's handling of this situation has caused her. That's a relatively significant sum, but in my view, it's fair and proportionate to what's happened here.

As such, my provisional decision here is that I will be upholding this complaint in Mrs M's favour on this limited basis only, and that NatWest must make a payment of £1,000 to compensate Mrs M for the upset that I'm satisfied she has unfairly and unreasonably incurred. NatWest must pay this compensation directly to Mrs M and may not apply this payment to one of the outstanding account balances unless Mrs M permits them to do so.

In my provisional decision letter, I gave both Mrs M and NatWest the opportunity to provide any comments or new information they might wish me to consider before I moved to a final decision. NatWest confirmed that they were happy to accept my provisional decision, whereas Mrs M reiterated a request for this service to find out why NatWest didn't respond to letters sent to them by her mortgage provider.

I can appreciate Mrs M's position, and while I acknowledge that NatWest haven't responded to various correspondence and requests here, I don't feel that the provision of a specific reason as to why this was the case is feasible in this instance.

Ultimately though, as explained in my provisional decision letter above, I do feel that Mrs M has incurred significant upset and inconvenience as a result of NatWest not responding when they reasonable should, and it's for this reasons that I'm instructing NatWest to pay compensation to Mrs M of £1,000, which I continue to feel provides fairly compensation to Mrs M for what has occurred.

As such, I can confirm that my final decision here is that I am upholding this complaint in Mrs M's favour on the limited basis explained above.

Putting things right

NatWest must make a payment of £1,000 to Mrs M to compensate her for the upset that I'm satisfied she has unfairly and unreasonably incurred here. NatWest must pay this amount

directly to Mrs M and may not apply this payment to one of the outstanding account balances unless Mrs M permits them to do so.

My final decision

My final decision is that I uphold this complaint against National Westminster Bank Plc on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 2 May 2022.

Paul Cooper
Ombudsman