



PRESS RELEASE: Sarah Pennells is available for interview. For more information or to speak to Sarah Pennells of SavvyWoman.co.uk please contact Sarah Gartside: 07981 308194 / 07976 951603 or savvywomanpress@gmail.com

Couples' confusion about joint bank accounts revealed

Three quarters (74.1 per cent) of UK adults don't know that either person is liable to pay the entire debt on a joint account and nine out of ten (87.5 per cent) want banks to provide clear information when they open a joint account, according to independent research carried out for SavvyWoman.co.uk and M&S Bank.

Currently banks' terms and conditions can run to many pages, so perhaps it's not surprising that many people don't read them. The independent survey, carried out by Censuswide for SavvyWoman and M&S Bank, found that over four in ten (42.3 per cent) people who have a joint account with their partnerⁱ didn't fully read the terms and conditions that their bank provided.

The research found that almost nine out of ten adults (87.5 per cent) want banks to provide clear information when they open a joint account. Asked if they want banks to provide a short summary of key points, a clear explanation of the rules, or both:

- Almost a third (32.4 per cent) want banks to provide a one page summary *and* to explain key terms separately.
- Over four in ten (43.4 per cent) want banks to produce a one page summary.
- More than one in ten (11.7 per cent) want banks to explain terms separately.
- A higher percentage of younger adults, aged 16-24, want banks to provide both a one page summary and to also explain terms separately (35.2 per cent compared to 32.4 per cent overall).

The survey also asked if UK adults know who is liable to pay off debts on a joint account:

- Three quarters (74.1 per cent) don't know that each person is liable to pay the entire debt on a joint account, and that the bank may pursue either for the full amount.
- Almost half (46 per cent) wrongly think that if they split up with a partner and there is a debt on the account, each person is only liable to pay half the debt.
- Over one in ten (11.9 per cent) incorrectly think that only the person who runs up the debt is responsible for paying it.
- Almost one in six (15.6 per cent) don't know who is liable to repay a debt on a joint account.

Official statistics show that over four in ten marriages in the UK end in divorceⁱⁱ, and the percentage of relationships that end is higher among couples who live together but who aren't married or in a civil partnership. Couples can fall out over money and almost two in ten (18 per cent) say they have had to pay off an ex-partner or ex-spouse's debts on a joint bank account.

The research also found that there was extensive confusion over who can manage and run a joint account:

- Four in ten (40.8 per cent) don't know or wrongly think they need the approval of both parties to use a cash machine.
- Seven in ten (70.1 per cent) don't know or wrongly think they need the approval of both parties to set up arranged overdrafts.

- Five in ten (49.2 per cent) don't know or wrongly think they need the approval of both parties to write cheques.
- Almost five in ten (47.2 per cent) don't know or incorrectly think they need the approval of both parties to make cash withdrawals.
- Almost half (46.1 per cent) don't think or don't know their credit report can become linked to someone else's if they have a joint current account together.ⁱⁱⁱ

Sarah Pennells, founder of SavvyWoman.co.uk, says: “Thousands of couples open joint accounts each year and I've been concerned for some time that many of them don't know what they're signing up to. If a relationship breaks down, one partner can be left with debts of hundreds or even thousands of pounds.

“We've previously called for banks to give couples clear and concise information about their responsibilities for any debts on joint accounts, so couples who open a joint account know exactly what their bank will do and what's expected of them. So, I am delighted that M&S Bank provide couples with a one page summary of key account information and that, in light of our research, they're going to make sure that the financial link that comes with a joint account is made even clearer.

“We're now going to campaign to get all banks to do their bit to make joint accounts clearer so couples know exactly what they're agreeing to. I'm looking forward to the day when I don't get emails from women who have been left high and dry because their ex has run up debts on a joint account and they've been left to pick up the bill.”

Sue Fox, CEO of M&S Bank, says: “ We want to ensure we're providing the necessary education for couples up-front before they open a joint account, and provide support should the relationship break down.

“We believe that customers should be treated as individuals so, while many current account providers will simply block a joint account once they've been notified of a separation, we will speak to both parties to ensure we understand the situation and offer a bespoke solution to meet their circumstances.

“As a result of the research, conducted with SavvyWoman, we also want to ensure couples better understand the financial link they're making with their partner from the outset, such as linked credit reports.”

Sarah Pennells has the following tips for couples thinking of opening a joint account:

1. Make sure you read the terms and conditions before you take out a joint account.
2. Don't agree to an overdraft facility if you don't need one and, if you do, limit the amount you borrow to what you need and are able to pay back.
3. Agree with your partner exactly what the account will be used for before you open it.
4. Check the account regularly so you know what it's being used for.
5. Contact your bank immediately if you and your partner split up, especially if it's acrimonious. Ask the bank to change the way the account operates so you both have to agree to any withdrawals or new payees.

- ENDS -

Notes to Editors

The independent research was carried out by Censurwide on behalf of SavvyWoman.co.uk and M&S Bank. 2,017 UK adults were questioned on 24 – 26 May 2017.

ⁱOver half of couples surveyed who are married or in a relationship (52 per cent) have a joint bank account.

ⁱⁱ<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/marriagecohabitationandcivilpartnerships/bulletins/marriagesinenglandandwalesprovisional/2014>

ⁱⁱⁱM&S Bank put this question to its own customer forum and two in five were unaware that having a joint account can essentially link your credit reports.

About SavvyWoman

SavvyWoman.co.uk, brainchild of financial expert Sarah Pennells, is aimed at smart women who want more from their money. Sarah is a regular commentator on TV, radio and in the national press. She was named the British Insurance Brokers' Association Personal Finance Journalist of the Year and Overall Winner Journalist of the Year in 2016; runner up Consumer Champion, Financial Broadcaster and Financial Journalist in the Headline Money Awards 2016; Financial Broadcaster of the Year at the Santander Media Awards 2015 and SavvyWoman was named Financial Blog of the Year in the SHOMO awards 2015. Find Sarah on [Twitter](#), [Facebook](#) and [YouTube](#).

About M&S Bank

M&S Bank (the trading name of Marks & Spencer Financial Services plc) was founded in 1985 as the financial services division of Marks and Spencer plc. In November 2004, HSBC bought 100 per cent of the share capital of Marks and Spencer Retail Financial Services Holdings Limited.

Today, M&S Bank operates as a joint venture arrangement between HSBC and Marks & Spencer, however, M&S Bank retains its own board.

M&S Bank offers a broad range of financial products, including current accounts, the M&S Credit Card, and a range of loans, savings and general insurance products, while its travel money offering boasts the widest range of currencies available on the high street. M&S Bank has 29 branches and over 120 bureaux de change located in M&S stores across the UK.

HSBC Bank plc

HSBC serves 16.1 million customers in the UK and employs approximately 43,500 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,400 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,557bn at 30 September 2016, HSBC is one of the world's largest banking and financial services organisations.