

## The complaint

V, a limited company, complains that National Westminster Bank Plc didn't respond to its letters about the closure of its business.

## What happened

V explains that it wrote to NatWest in October 2021 to tell it that it would be closing its business and that it wanted to discuss the way forward. V says it didn't get any response, but payments were still taken from the current account up to the overdraft limit. V says that some contact about those went to an incorrect email address and that letters didn't have a phone number to call. It sent further letters in April and May 2022 which were ignored until it made a complaint.

NatWest said that it agreed that it had let V down by the delay in response. And that V's accounts were being managed by its Specialised Business Management (SBM) team. It had updated the contact details for V.

Our investigator said that V had written to NatWest and not received a reply which was poor service. She recommended that NatWest pay V £100 for that. But she said that she didn't think that V had done enough to follow this up. It had written to a branch but there were details online of the central contact points. And one of the directors had used an online portal three times before in 2021 and this could have been used to tell NatWest about the business change. NatWest had emailed V but also sent letters about the overdraft and formal demand and these did include contact points. It said it had asked V to contact it and had no record of any calls before the complaint. The balance on the account had increased due to regular payments which hadn't been cancelled and in large part related to a loan. She recognised what one of the directors had said about the personal impact on his mental health but stated we couldn't address that in a complaint from V, a separate legal entity.

V didn't agree and wanted its complaint to be reviewed. It said that it formally wrote to NatWest and its account was blocked. NatWest continued to apply charges without reference to V. It said it wrote and phoned again. V had assumed everything was in hand and that any delays were due to the impact of COVID. V wanted to know how many times it would need to write and send recorded delivery letters. V doesn't accept it acted irresponsibly or unreasonably.

## 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 appreciate what V says and that it wrote to NatWest on 26 October 2021 to say that it was closing its business and would *"welcome a conversation to discuss the way forward"*. It didn't ask that the contact details for V be formally changed. But it gave an email address and mobile number for one of the directors and didn't get any response. I note that in an email to

this service of 4 January 2023 a director of V stated:

*“– we have received no letters or written correspondence from Nat West other than monthly statement slips for the overdraft until it reached the limit of £8k having been £5k when we informed them of the cessation of business...We did receive automated emails about the bounce back loan repayments which they took from the account after access to it had been withdrawn.”*

It does appear that there had been a viable email address for V that NatWest had been using in relation to the loan at least. And that V in any event seemed to be aware of the payments being made to the loan. It had previously applied for a loan payment holiday using an online portal as our investigator referred to. But that hadn't been extended further. I can see that significant further payments to the current account related to the loan.

NatWest has shown that it did email a director about the overdraft. But also, that it wrote to the address it had on record for V on 26 March 2022 to state that the overdraft limit was due to expire. It asked V to call it and gave a number. It also wrote on 9 April 2022 asking V to contact it and gave a number to call. That letter came from the SBM team and a correspondence address for that team was provided. It further wrote on 5 May 2022 making formal demand on the overdraft and again giving a number to call. V was given ten days to put forward satisfactory proposals for repayment. NatWest has explained to this service that its SBM team doesn't make outbound calls but asks that it is called. It has no records of any calls from V at that time.

Given this correspondence I'm unclear why V further wrote to NatWest at a branch address - for example its letter of 3 May 2022. And why it said in that letter it didn't have a phone number for NatWest about the overdraft details it had received.

It complained and NatWest issued a final response dated 11 May 2022. That seemed to tell V what it already reasonably knew and that the account was being managed by SBM. I'm not going to be able to look at what happened after that and the further contact the directors have referred to in this complaint. V would be able to raise a new complaint about that if it wants to.

I need to reach an assessment on the complaint points here. V had an overdraft and a significant loan. It clearly wanted and needed to deal with those when the business ceased trading. It did contact NatWest about it and its letter wasn't responded to. Given what V says about the importance of this being dealt with and that it seemed to be made aware of payments from the current account I think there was an opportunity for it to take further action earlier too. And that even having it says not received NatWest's emails the position regarding the overdraft had been made clear and it had appropriate contact points. I don't accept that V saying that NatWest didn't call it was enough: it had the opportunity to be proactive and help to reach an agreement on repayment in its own interests.

I agree with our investigator that as V is a company it can't suffer distress. V is the complainant here and so I'm afraid I'm not able to consider the personal position of the directors. I also agree that it has been inconvenienced and that the proposed compensation for this of £100 is reasonable. I know the directors of V will be disappointed that I won't be asking NatWest to do more than pay that in relation to this complaint.

### **My final decision**

My decision is that I uphold this complaint in part, and I require National Westminster Bank Plc to pay V £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask V to accept or reject my decision before 13 September 2023.

Michael Crewe  
**Ombudsman**