

The complaint

B is a company. It complains through its director (whom I'll refer to as Ms K) about the way in which National Westminster Bank plc has handled its overdraft.

What happened

In early 2022 Ms K changed her residential address, which was used for B's bank accounts. It took several months for NatWest to update its records, but by mid-2022 the bank was using Ms K's home address for correspondence relating to B's account.

In July 2023 Ms K added her daughter to the account. The bank then changed the correspondence address on the business account to its registered company address.

Ms K complained about the way the bank had handled the issue of the correspondence address, and it paid compensation in recognition of the inconvenience to which Ms K and the company had been put.

B had an overdraft facility, which had been renewed annually. In June 2024, however, the bank decided that it would not renew the facility; there had been little business activity on the account. It told Ms K about its decision and asked that she provide information about the company's income and expenditure. The bank wrote by letter, text and email.

In a telephone call on 19 August 2024 Ms K acknowledged that she had not provided the information requested. She also said that the home address which the bank held was incorrect; that issue was resolved a few days later.

Ms K sent the bank income and expenditure information in October 2024, but it was unable to open the file she had sent.

On 23 November 2024 the bank issued a formal demand for the repayment of the company's overdraft and transferred B's account facilities to its recoveries department.

Ms K complained on behalf of B about what had happened. NatWest said it had told Ms K that it needed information before it could agree to renew the overdraft facility. It had discussed this with Ms K and had sent reminders. Because it did not receive the information it had requested, it sought repayment of the outstanding overdraft and transferred the account to collections. It did not believe it had acted unfairly.

Ms K referred the matter to this service. One of our investigators considered what had happened but did not recommend that the account be upheld. She concluded that, even if there were issues with the bank's recording of changes to Ms K's residential address, it was reasonable of the bank to have directed company correspondence to B's registered address.

Ms K did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

Having done so, however, I have reached the same overall conclusions as the investigator did, and for similar reasons.

NatWest says it has no record of any request to change the correspondence address for the business account – as distinct from Ms K's residential address. And in a telephone call on 22 August 2024 Ms K confirmed B's registered address was the address on the bank's records. I think there may have been a misunderstanding here. The bank appears to have taken that to mean Ms K wanted correspondence to B to be sent to that address. But she believed that, having told NatWest that her personal address needed to be changed, it would direct business correspondence to that address as well.

The company's registered address appears to be a business centre which is the registered address for a large number of companies. It also provides mail forwarding services, and I would expect Ms K to have made arrangements for dealing with any mail intended for B. Be that as it may, NatWest did not rely on physical mail when corresponding with B. It also contacted Ms K by email, by text message and by telephone.

So, even if letters were not sent to Ms K's home address as she intended, I am satisfied she knew that she needed to provide the bank with information to enable it to review B's overdraft facility. B was not disadvantaged or left uninformed as a result of any error in the address. Ms K would have known too that the overdraft facility had expired and that the bank had demanded repayment of the overdraft in November 2024.

In the circumstances, I don't believe the bank acted unfairly in transferring B's account to its collections department.

My final decision

For these reasons, my final decision is that I do not uphold B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask B to accept or reject my decision before 11 December 2025.

Mike Ingram
Ombudsman