

The complaint

A limited company, which I'll refer to as 'E', complains that National Westminster Bank Public Limited Company ("NatWest") didn't provide information to it that it fairly should have done.

E's complaint is brought to this service by its director, whom I'll refer to as 'Ms A'.

What happened

In July 2024, Ms A called NatWest and explained that she was looking to dissolve E, which she understood would mean that E's NatWest business accounts would close. Ms A also explained that E had an outstanding loan with NatWest and that she would arrange for it to be repaid from a different bank account after E closed – which NatWest's agent confirmed could be done.

Ms A then proceeded to file for E's dissolution. But NatWest lodged an objection to the dissolution that prevented E from being dissolved – because of the outstanding loan balance. Ms A wasn't happy about this and she felt that NatWest's agent should have told her that NatWest would lodge such an objection when she spoke with them, and she noted that if she had been properly informed, she wouldn't have proceeded as she had.

NatWest responded to Ms A, but they didn't feel that their agent had done anything wrong and that E's insolvency practitioner or business accountant should have told Ms A that NatWest may object to the dissolution of E while a business loan balance was still outstanding. Ms A wasn't satisfied with NatWest's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. They felt that NatWest's agent could reasonably have explained that NatWest would object to any attempt Ms A might make to dissolve E, but noted that Ms A hadn't specifically asked if NatWest would raise an objection, and so didn't uphold the complaint. Ms A remained dissatisfied, 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 15 July 2025 as follows:

NatWest have explained to this service that their business banking telephony agents can assist with a wide range of matters but are not specialists and so wouldn't be aware that NatWest would object to a dissolution if an outstanding balance is still owed. But the fact that NatWest would object in such circumstances is important information, and I'm satisfied that it was reasonable for Ms A to have expected to have been informed by NatWest's business banking agent that the dissolution of her company that she had told that agent about would be objected against by NatWest.

NatWest have suggested that E's accountant or insolvency practitioner should have explained to Ms A that NatWest would object to E's dissolution. That may be the case, but I feel it stands to reason that NatWest themselves could and reasonably should have explained to Ms A that they would object, rather than expecting a third party to provide such an explanation. And this is especially given that Ms A spoke with a NatWest business banking agent, explained that she intended to dissolve E, and also explained that E had a business loan outstanding.

Furthermore, when Ms A mentioned that she would look to pay E's outstanding business balance from another account, after E's dissolution, I would also have expected NatWest's agent to have reminded Ms A that she wasn't personally liable for E's debts and to have recommended that she sought advice before committing to making such payments.

Ultimately, I'm in agreement with Ms A that, in her role as E's director, received a poor standard of service from the agent she spoke with in July 2024. And while Ms A may not have directly asked NatWest's agent if NatWest would object to E being dissolved, I feel that Ms A provided that agent with sufficient information that the agent understood Ms A's intentions and should reasonably have understood that NatWest would object to them – and explained as such to Ms A.

By not providing Ms A with the information that she should have been provided with, I feel that NatWest have caused E some trouble and inconvenience it ought reasonably not have had to incur. This includes that E filed for dissolution, which I understand incurs a modest fee, alongside the fact that new business accounts for E had to be opened when E couldn't be dissolved.

In consideration of the trouble that E has experienced, I'm provisionally instructing NatWest to pay £100 to E, to cover the reimbursement of the dissolution fee that E incurred and as compensation for the unnecessary inconvenience they've caused to E.

It's important to note here that I can't consider any frustration or upset that Ms A may have incurred personally. This is because this complaint is brought by E, the limited company, which is the eligible complainant here. This means that Ms A herself is not a party to this complaint. And while E is a party to this complaint, it is a limited company and therefore cannot be upset or frustrated, although it can be inconvenienced.

It is for this same reason that my provisional instruction is for NatWest to pay the £100 to a business account in the name of E, although Ms A may elect for NatWest to reduce E's outstanding loan balance by £100 if she would prefer.

NatWest responded to my provisional decision and confirmed they were in acceptance of it. Ms A also responded and didn't raise any objections to my provisional decision. As such, I see no reason not to issue a final decision here whereby I uphold this complaint in E's favour on the basis described above. I therefore confirm that my final decision is that I do uphold this complaint on that basis accordingly.

Putting things right

NatWest must pay £100 to E.

My final decision

My final decision is that I uphold this complaint against National Westminster Bank Public

Limited Company on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 27 August 2025.

Paul Cooper
Ombudsman