

The complaint

This complaint is about a buy-to-let mortgage which until recently, Mr M and Mr Y held jointly with Bank of Ireland (UK) Plc; I'll call it BOI from hereon. Although a joint mortgage, Mr Y has told us that he alone paid it. The complaint is that when the mortgage was redeemed, BOI collected more money than he was expecting it to take, leaving him short of funds for other expenditure.

Both parties to the mortgage have joined the complaint. I'm aware this has upset Mr Y, but the simple fact is that our rules allow us to dismiss (that is, decline to consider on its merits) a complaint where not all of the parties to the service being complained about (the correct term is 'eligible complainants') have joined in bringing the complaint. All of our dealings have been with Mr Y, on behalf of himself and Mr M.

What happened

BOI says it acted in accordance with what the redemption statement said could happen, but accepts it took two days longer than it should have to refund the surplus. For that, it paid Mr Y £50 compensation. It also accepts it sent Mr Y two copies of the same acknowledgement letter.

Our Investigator didn't think BOI had acted incorrectly in the amount it collected. She agreed that the two-day delay in refunding the surplus warranted compensation, but thought £50 was fair in all the circumstances.

What I've decided – and why

The details of this complaint are well known to Mr Y and BOI so I won't repeat them again here. Instead I'll give the reasons for my decision. Although I've read and considered the whole file I'll keep my comments to what I think is relevant. If I don't comment on an issue it's not because I haven't considered it, but because I don't think commenting on it is necessary for the overall outcome.

We don't replicate the work of the courts. Whilst statutory, our scheme is intended to provide swift outcomes to disputes between business and the customers, with a minimum of formality.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

That includes reviewing the redemption statement, the list of transactions made, and listening to Mr Y's phone conversation with BOI on 30 May 2025. Having done so, I've reached the same conclusions as the Investigator and for much the same overall reasons.

Where a mortgage is redeemed by payment of the concluding monthly instalment rather than a lump sum from a sale, as happened here, it's not at all unusual for the amount collected under the final direct debit call to exceed the amount actually due. When that

happens, the resulting surplus is then refunded soon after. The mortgage terms and conditions allow for that, and the redemption statement contains explanatory narratives to inform borrowers that this might happen.

This is exactly what did happen in the case of Mr M and Mr Y's joint mortgage. BOI did nothing that it hadn't said in the redemption statement might happen. I don't know, and won't speculate on, how much of that detail Mr Y assimilated, but I'm satisfied BOI's redemption statement met his information needs.

BOI's only shortcoming, which it readily admitted to and apologised for in the final response to the complaint, was to take two days longer than its forecast service standard to return the surplus. So BOI did exactly what I'd expect a business to when it identifies that it has fallen short of a customer's reasonable expectations. It also paid Mr Y compensation for his time, trouble and upset.

When assessing fair compensation for people's time, trouble and upset there's no specific calculation to work this out; everyone perceives things, and reacts to them, differently. One person's minor annoyance is another significant and stress-inducing inconvenience. It's all about the individual, and their personal circumstances. That's why the guide we publish on the subject incorporates ranges rather than tariffs.

In all the circumstances of this case, and taking into account that the delay in refunding the surplus was only two days, I agree that BOI's payment of £50 is fair overall. Sending Mr Y two copies of the same letter was a mistake, which I've no doubt he found irksome, but it doesn't warrant further compensation in its own right. Overall, if BOI hadn't made the payment of £50, I would not be awarding more.

My final decision

My final decision is that I do not uphold this complaint or make any order or award against Bank of Ireland (UK) Plc.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mr Y to accept or reject my decision before 13 April 2026.

Jeff Parrington

Ombudsman