

## The complaint

Mr E complains that Bank of Ireland (UK) Plc (BoI) lent to him irresponsibly and failed to provide appropriate forbearance when he contacted it about financial difficulty.

## What happened

On 20 February 2018, Mr E took a loan of £15,000 with BoI. He fell into difficulties with it and a default notice was issued to him on 1 June 2023. Mr E is now in a debt management plan.

On 2 November 2024, Mr E complained to BoI that the loan was lent irresponsibly. He said the bank had failed to support him when he asked for help with his financial situation.

BoI looked into Mr E's complaint and issued a final response letter. It said his application for the loan had passed all its usual checks and it was satisfied it had been sold appropriately and was affordable for him at the time. Mr E fell into arrears by not making the full contractual repayment of £335.14 from September 2018. BoI only issued a default notice once the arrears had reached four months in June 2023. It said its agents had assisted him when he called by putting in place payment plans and "*various holds*" while explaining the impact those actions would have on his credit file. BoI didn't uphold the complaint.

Mr E didn't accept BoI's response, so he referred his complaint to our service. One of our ombudsmen looked into it and said we couldn't consider his concerns about the lending decision as it had been brought too late under our rules. But he said we could look at Mr E's concerns about BoI's treatment of him when he fell into difficulties. He passed the case to an investigator to review that aspect.

Our investigator looked into BoI's handling of Mr E's difficulties, and ultimately felt that the bank had done what could reasonably have been expected to support him. She didn't uphold Mr E's complaint. Mr E didn't agree with our investigator so, as there was no agreement, the complaint has been passed to me to decide.

## 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.

For completeness, I agree with my ombudsman colleague that I don't have the power to look into the lending decision for the reasons he set out in his decision. My decision will focus solely on BoI's actions when Mr E contacted it about his financial difficulty.

Having done so, I'm sorry to disappoint Mr E, but I have reached the same conclusion as that of our investigator, and for the same reasons. I won't go into quite as much detail as our investigator, but I have read and considered everything each party to the complaint said. This isn't to be discourteous, but rather, it reflects the informal nature of our role.

BoI has provided a number of notes it made when Mr E contacted it about the loan. I've read them all carefully, and will comment on just a few.

When Mr E contacted Bol on 20 September 2018, he explained he would struggle with the repayment that month as he'd had to spend £3,000 to fix his boiler. Bol asked him about other bills he had and he confirmed he'd spoken to those businesses and would be able to cover his expenses the following month. It advised him to cancel his direct debit (to be reinstated for October) and that he'd need to make it up the following month. The note says it advised him of the "*file impact*" which I believe refers to his credit file.

Mr E missed the next few payments too, but made a lump sum payment in January 2019 bringing the account back up to date. He made the contractual payments again for the next few months.

Mr E fell into arrears again from November 2019. He contacted Bol at the start of the Covid-19 pandemic in March 2020 and agreed a reduce payment plan of £57.52 from May 2020. In September 2020, Mr E cleared the arrears with a lump sum payment and began his normal contracted payment from November 2020.

From April 2022, Mr E began to fall into arrears again. He told Bol that he'd lost his job "*a few months ago due to the pandemic*" but had a new one lined up from June 2022. He said he was behind with his rent, but had an arrangement with the landlord. Bol put the account on hold pending him starting his new job. It spoke with Mr E several times over the following months, but it seems his new job started later than expected. The bank continued the hold on the account for several months. Mr E began to make payments of £200 per month from November 2022, and ultimately the account defaulted in June 2023.

Overall, I think Bol treated Mr E fairly. His initial problems were as a result of unforeseen expenses and then the Covid-19 pandemic. Bol provided payment plans where necessary until Mr E was able to recover from those issues and was able to bring his account up to date. From the evidence provided, I can see it offered details of debt charities where appropriate and explained the impact arrears and late payments could have on his credit file.

I appreciate Mr E struggled with the loan, but the reasons he gave Bol for that were generally down to a change in circumstances beyond his or the bank's control. I'm sorry to hear of the difficulties Mr E has faced, but I think Bol has offered the support I would expect of a lender.

I realise my decision will come as a disappointment to Mr E but for the reasons I've already given, I don't think Bol treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 9 March 2026.

Richard Hale  
**Ombudsman**