

## The complaint

Mr M is unhappy that Bank of Scotland plc (“BOS”) deemed him ineligible to apply for a personal loan.

## What happened

Mr M is a long-time account holder with BOS and used BOS’s online personal loan eligibility checker to confirm that he would be eligible for a personal loan. However, the result of that check was that Mr M was told that he wouldn’t be eligible for a personal loan. Mr M wasn’t happy about this, and he also wasn’t happy that no one at BOS would tell him exactly why he was ineligible, so he raised a complaint.

BOS responded to Mr M but confirmed that he wasn’t eligible to apply for a personal loan but didn’t feel that they’d done anything wrong by considering him ineligible. BOS also didn’t explain to Mr M in their response why they considered him to be ineligible. Mr M wasn’t satisfied with BOS’s response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn’t feel that BOS had acted unfairly and so didn’t uphold the complaint. Mr M 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 8 January 2026 as follows:

*This service wouldn’t generally expect a business such as BOS to provide details of its eligibility criteria to a consumer as that information can be commercially sensitive. For instance, if BOS’s eligibility criteria were to enter the public domain, then that heightens the risk that members of the public could potentially use that information to try to circumvent BOS’s criteria and obtain a loan from BOS under false pretences.*

*However, this service would expect BOS to explain to this service exactly why Mr M was considered ineligible to apply for a loan. This would then allow me to assess whether I thought BOS’s actions in this regard were fair. And while I wouldn’t pass on the exact reason that BOS had considered Mr M to be ineligible to Mr M, I would be able to say that I had been told why BOS had taken the position they had, and whether I felt it was fair.*

*Accordingly, I went to BOS for the specific information that would allow me to assess the fairness of their actions, but BOS have said that they aren’t able to provide any further information to me beyond that which they’ve previously provided – which doesn’t include the exact reason that they felt Mr M was ineligible to apply for a personal loan.*

*This means that I’m unable to confirm that BOS have acted fairly in this instance, and because of this I’ll be provisionally upholding this complaint and instructing BOS to pay £100*

*compensation to Mr M.*

*I'm awarding this compensation because it doesn't seem fair or reasonable to me that BOS can tell Mr M that he is not eligible to apply for a loan, but then not be able to provide the reason that Mr M is not eligible. And I feel that by taking such an unreasonable position, BOS have treated Mr M unfairly and have caused him some frustration and inconvenience which could have been alleviated had I potentially been able to assure him, as an independent third party, that BOS's position was fair.*

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Mr M didn't respond to my provisional decision. BOS did reply and referred to what they felt was a near identical complaint which had been found in their favour by this service.

However, I'm not convinced that the other complaint BOS refer is similar in all respects to this one, given that it refers to 'lending criteria', which is a broader term than 'eligibility'. It's also unclear whether the comments on the other complaint were issued by an ombudsman at decision stage or by an investigator at an earlier stage – although given that this service doesn't operate based on precedent, that distinction is largely moot.

Ultimately, my remit is to decide whether I feel BOS have acted fairly or not. And in this instance, I continue to feel that it isn't fair or reasonable that BOS can tell Mr M that he is not eligible to apply for a loan, but then not be able to provide the specific reason that they consider Mr M to not be eligible.

It therefore follows that my final decision is that I uphold this complaint in Mr M's favour on the basis explained in my provisional decision.

### **Putting things right**

BOS must pay £100 to Mr M.

### **My final decision**

My final decision is that I uphold this complaint against Bank of Scotland plc on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 February 2026.

Paul Cooper  
**Ombudsman**