

The complaint

Mr F is unhappy that Ulster Bank Ltd (“UB”) have miscalculated the outstanding balance of his defaulted personal loan and with the service he’s received surrounding that.

What happened

Mr F has an outstanding balance on a defaulted personal loan with UB. As per their process with defaulted balances, UB transferred Mr F’s account debt to a third-party debt collection agency (“DCA”) which acted on their behalf.

In June 2024, Mr F complained to UB because he felt that payments that he’d made to the DCA hadn’t been passed to UB which meant that the account balance was incorrect which in turn meant that a final settlement figure UB had provided to him was incorrect. UB responded to Mr F and asked him to provide details of the payments he believed he had made but which hadn’t been attributed to his account, as at present they had no indication that Mr F’s account balance was incorrect.

In September 2024, Mr F complained again to UB because he was unhappy that his account balance had been increased by £91 by UB. Mr F was also unhappy that UB had passed his account back to the DCA without informing him, and with service he’d received from UB while in branch.

UB responded to Mr F and explained that a payments audit had determined that the DCA had sent £91 more to UB regarding Mr F’s account than had been received by the DCA, and that because of this UB had made a £91 correctional payment from Mr F’s account back to the DCA. And UB confirmed that they didn’t feel that had acted wrongly by doing so.

However, UB did accept that Mr F had received poor service while in branch and hadn’t been told that his account would be passed back to the DCA, and they apologised to Mr F for this and made a payment of £150 to him as compensation for any trouble or upset Mr F may have incurred. Mr F wasn’t satisfied with UB’s response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they found UB’s payments audit to be persuasive and felt that the apology and payment of £150 compensation already provided a fair outcome to the other aspects of Mr F’s complaint. Mr F disagreed, and 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.

Having done so, I note that in some of his submissions to this service Mr F has suggested that UB may not have acted in accordance with financial regulation. I’d therefore like to begin by confirming that this service isn’t a regulatory body or a Court of Law and doesn’t operate as such. This means that it isn’t within my remit here to declare that UB have or haven’t

acted in a non-regulatory or unlawful way.

Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the circumstances and factors of a complaint into consideration.

I also note that Mr F has provided several detailed submissions to this service regarding his complaint. I'd like to thank Mr F for these submissions, and I hope that he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr F notes that I haven't addressed a specific point that he's raised, it shouldn't be taken from this that I haven't considered that point. I can confirm that I've read and considered all the submissions provided by both Mr F and UB. Accordingly, if Mr F notes that I haven't responded to a specific point that he's raised, I confirm that I have considered that point, but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr F feels that payments that he's made to UB, via the DCA, haven't been forwarded to UB such that his outstanding account balance is incorrect to his detriment.

I'd like to confirm that it isn't the role of this service to conduct a detailed audit of Mr F's account balance. And while this service could review a detailed audit undertaken by Mr F, wherein he lists all the individual payments he's made towards the account and then cross references them against credits to his account recorded by UB, Mr F hasn't provided any such detailed audit to this service, despite requests for him to do so. Mr F has explained that he isn't able to because he has closed one of the accounts in the payment chain. But statements for old accounts can be obtained, usually for up to five years from the point of closure.

Conversely, UB have provided details of a payments audit they undertook which confirmed the balance of Mr F's account and which showed that the DCA had overpaid UB regarding Mr F's account by £91. I find UB's payments audit to be persuasive, and I feel that they most likely do have an accurate and fair understanding of Mr F's account balance. I also feel the £91 correctional payment from Mr F's account back to the DCA was fair and reasonable.

I appreciate that there may be some confusion with regard to the account balance because there can be a delay between the DCA receiving a payment from Mr F and them forwarding that payment to UB. But as has been explained to Mr F, this service is outcome focussed, and I feel that the outcome here – the balance of Mr F's account – is fair.

Turning to the other aspects of Mr F's complaint, UB have accepted that they provided poor service to Mr F while he was in branch and that they didn't notify him in advance that they were passing his account back to the DCA, and UB have apologised to Mr F for this and paid £150 compensation to him. This feels fair to me, and I feel that £150 does provide fair compensation to Mr F for the impact of that poor service on him. In arriving at this position, I've considered the impact of events on Mr F alongside the general framework this service uses when assessing compensation amounts, details of which are available on this service's website.

Mr F has explained to this service that he feels that the service he's received from UB has caused him to have a heart attack. It seems clear from Mr F's correspondence with this service that he finds this matter to be stressful, but I don't feel that I can reasonably conclude

that UB have been the sole or primary cause of any health issues he may have experienced. I also must note that UB's contact notes from March 2023 show that Mr F told them that he was recovering from a heart attack that he'd had in 2022, which was before the events under consideration here took place.

Finally, in their view of this complaint, our investigator said that UB should provide more detailed information to Mr F that showed how they had concluded that the DCA had paid £91 more than they should have done, such that a correctional payment was warranted. UB have since sent in further information that I feel satisfies that requirement, which I understand has been passed on to Mr F. If Mr F hasn't received that information, he should inform the investigator assigned to his complaint, who will resend it to him.

All of which means that I won't be upholding this complaint or instructing UB to take any form of action here. This is because I'm not persuaded that it is likely that UB have an incorrect account balance for Mr F, including the £91 correctional payment they made, and because I feel that UB's apology and payment of £150 compensation already provides a fair resolution to the other aspects of Mr F's complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 23 February 2026.

Paul Cooper
Ombudsman