

The complaint

X complains Bank of Ireland (UK) Plc (Bol) treated him unfairly in relation to an elective overdraft facility.

What happened

In February 2023 X took out a £15,000 elective overdraft facility. This was a specialist overdraft given to students studying certain types of degrees. The overdraft accrued interest but only became repayable once the account holder graduated.

Around April 2024 X contacted Bol to extend the elective overdraft facility. During this conversation X discussed refinancing options and was told that Bol no longer offered personal loans. X raised a complaint about Bol's decision to withdraw personal loans. X felt adversely impacted by this decision as he intended to refinance with Bol and says he was initially told this would be an option when the executive overdraft facility became payable.

Bol considered his complaint but rejected it. It didn't agree it had treated X unfairly by withdrawing personal loan products. Its response to this complaint ("FRL one") was issued on 30 April 2024.

The account was due to be repaid in summer 2024. However, Bol made a decision to extend the repayment term by 12 months. This was to give customers longer to source refinancing options.

X raised another complaint about Bol's decision to withdraw personal loan products. Bol responded to this in a second response letter ("FRL two") dated 15 October 2024. This letter also doesn't uphold the complaint and refers X back to the previous response letter.

A third complaint was raised about the adverse information which was recorded on X's credit file relating to his executive account. Bol considered this complaint but again it didn't uphold it. It said that the account activity was correctly reported to credit reference agencies. It also highlighted previous correspondence it sent X, which reminded him to keep his account within the agreed balance and make payments to cover the interest being applied to his account. This letter is dated 28 March 2025 ("FRL three"). As a gesture of good will Bol did agree to removed three months of missed payments recorded on his credit file for October, November and December 2024.

Unhappy with Bol's actions, X referred his complaint to our service. FRL three was referred whilst the complaint was ongoing and Bol agreed for the issues to be considered as part of this complaint.

One of our investigators considered the complaint. They didn't agree we could consider Bol's decision to withdraw personal loans as they thought the complaint was raised too late. This was because it was referred to our service more than six months after FRL one.

The investigator did think we could consider Bol's delay in communicating the decision to withdraw personal loan products. They concluded that this should have been communicated

to X in December 2023 when it took that decision. However, X didn't find out about this until he proactively contacted Bol in April 2024 to extend his elective overdraft facility limit. They thought Bol should pay X £150 for the distress and inconvenience this caused him. The investigator also considered the credit file reporting, but found they didn't have sufficient evidence to conclude that Bol had reported incorrect information.

Bol agreed with the investigator's assessment. X didn't agree. He reiterated that he was told the personal loan refinance option would be available. He feels that Bol should refund interest and charges from the point it decided to withdraw personal loan products. As if he was told at this time, X argues he would have refinanced earlier and not incurred the interest and charges.

X has also raised concerns that the extension of the overdraft was only put in place after he disputed the matter. In addition, whilst Bol was eventually able to facilitate a refinancing loan through a subsidiary, X argues there was a prolonged delay in securing this. So, X argues that this allowed Bol to benefit from an additional year of interest payments and caused him further distress. I can't see these points have been put to Bol, so I'm unable to consider them as part of this complaint. X will need to raise them as a separate complaint and with Bol in the first instance.

I issued a provisional decision where I explained that I thought X's complaint in relation to Bank of Ireland (UK)'s decision to withdraw personal loan products was raised too late. And I didn't uphold X's complaint against Bank of Ireland (UK) in relation to the credit file reporting. I also noted that an offer has been recommended by the investigator which Bank of Ireland (UK) has accepted. I left this to X to decide if he wants to accept this offer.

In my provisional decision I said:

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

Credit file reporting

X is unhappy that adverse information was reported to his credit file. Bol has said the reporting was accurate and in line with what it is required to do when a customer doesn't make payments. However, it has removed missed payment markers from October to December 2024 as a gesture of good will.

We asked X for a copy of his credit file which hasn't been provided. So, I don't have evidence of any inaccurate adverse information being recorded. However, I can see from X's bank statements for the account in question, that he was over his agreed limit. X has also said that whilst he was seeking refinance options, he didn't see the point in continuing to repay the interest accrued. So, the evidence available suggests to me that Bol was justified in reporting this adverse information to his credit file.

X has said that Bol should have done more to notify him that he was over his agreed limit. I can see Bol sent statements alerting X to this. X has said he was busy at work and that Bol should have telephoned him. However, there was no requirement for Bol to telephone him to highlight this. And X also had a responsibility to monitor his account and review his statements. In addition to sending bank statements, Bol warned X in an email sent in July 2024 that he needed to continue to make payments to cover the interest applied to the account and stay within the agreed limit. And this information was also included in FRL two which was sent in October 2024.

I also note that based on his own testimony X has said he didn't see the point in continuing to repay his interest while he searched for alternative refinance options. So, it's likely X would have known he was missing payments and going over his agreed limit. A natural consequence of this is that this information would be reported to his credit file. So even if I

thought Bol should have done more to specifically alert X, in addition to his statements and the warnings given, I'm not persuaded I can conclude that X would have acted differently in this case. So, it follows that I don't uphold this aspect of X's complaint.

Bol's decision to withdraw personal loan accounts

Unfortunately, I think this aspect of X's complaint was raised too late and as such I can't consider it.

Where a respondent firm (in this case Bol) withholds consent, I'm not permitted to consider a complaint which is referred to me more than six months after the date the final response letter is sent. This is unless I'm satisfied that the reason for the delay was caused by exceptional circumstances. Dispute Resolution rule 2.8.2R (1) can be found online.

Bol initially addressed this matter in FRL one dated 30 April 2024. This letter gave referral rights to our service and explained X needed to refer his complaint within six months of that letter. It said that if he tried to refer the complaint outside of this time frame it would not consent to our service considering the complaint and he would only be able to do so in limited circumstances.

X referred his complaint to our service in late February 2025, so it was referred more than six months after FRL one.

I have noted that Bol went on to issue FRL two dated 15 October 2024, in which it again addressed the issue of Bol's decision to withdraw personal loan accounts. And I note that referral rights were again issued as part of this letter. However, I don't think Bol reinvestigated this issue. In fact, I can see it referred X back to its previous response (FRL one). So, I don't think it did anything to revoke or change the outcome it had reached previously. With this in mind, I think the original referral rights stand, and X had raised this aspect of his complaint too late and outside the time limits I must apply.

The rules say I can consider a complaint which was raised late if the reason for the delay was due to exceptional circumstances. X has said this was a very stressful time as he was completing his final exams. He has also said he was very distressed about how he was going to refinance this debt upon the expiry of the elective overdraft term. Whilst I appreciate the circumstances X was in, what he's said doesn't suggest that this was both exceptional and caused his delay in complaining. Particularly as he was able to continue to engage with Bol about this matter during the referral period.

So based on the information I have available, I don't think exceptional circumstances caused the delay. Should X have any other reasons for not referring his complaint sooner he should provide them in response to this decision and I will consider them.

My provisional decision is therefore that this aspect of X's complaint was raised too late. As such I am not able to consider it.

I note that our investigator also considered Bol's delay in communicating its decision to withdraw personal loans. Its arguable whether this is a separate complaint and not fundamentally linked to the complaint about the decision to withdraw personal loan products (which I think was raised too late). However, I note that our investigator made a recommendation for Bol to pay £150 compensation for this which Bol has accepted. I'm not persuaded I can or should amend that amount, so I leave it to X to decide if he wants to accept this offer.

I asked both parties to provide me with anything further before I reached a final decision. Bol accepted my decision and confirmed that it had nothing further to add.

X didn't accept and asked that I reconsider my findings that part of his complaint was referred too late. He argued that the withdrawal of personal loans and the financial

consequences of this are a continuous course of events. He also maintained that his delay in referring the complaint was because he continued to engage with Bol. And the delay was also due to the pressures of a demanding career, together with sitting final examinations. X also made further points about the fairness of Bol's decision to withdraw personal loans.

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'm not persuaded I can depart from the findings reached in my provisional decision, which forms part of this decision.

As set out in my provisional decision:

Credit file reporting

- I haven't seen a copy of X's credit file so I can't conclude Bol reported inaccurate information to credit reference agencies. However, his bank statements suggest X was over his agreed limit and his testimony was such that he didn't see the point in paying the accrued interest whilst he was looking for refinancing options.

In addition, I think X had a responsibility to review his statements and I note Bol sent several warnings reminding X to repay the interest accruing. So, I can't say Bol didn't give him the required information to take action if he'd chosen to. In fact, his testimony suggests he was aware he wasn't making the required payments and he chose not to. So, I can't say Bol has acted unfairly in reporting this to credit reference agencies.

Bol's decision to withdraw personal loan accounts

- For the reasons set out in my provisional decision, I think X's complaint about Bol's decision to withdraw personal loans was raised too late and outside the time limits I must apply under DISP 2.8.2R (1). X referred this complaint more than 6 months after the first final response letter, setting this out, was sent to X. X doesn't dispute he received this letter and whilst I have sympathy for why X didn't refer his complaint sooner, I don't think these are exceptional circumstances. So, it follows that this aspect of his complaint was raised too late.
- As explained above, I note the investigator awarded compensation for Bol's delay in communicating the withdrawal of personal loan products. I think it's arguable that this is fundamentally connected to the decision to withdraw personal loan products so would also be out of time. However, Bol did agree to pay this compensation. I therefore leave it to X to decide if he would like to accept this offer.
- Whilst I appreciate X's argument that the credit reporting is linked to Bol's decision to withdraw personal loans, I think these are separate events which were complained about at separate times. And were responded to in separate final response letters. So, I don't think that because X referred his complaint about Bol's credit file reporting in time, this should mean I can also consider his complaint about the decision to withdraw personal loans.

My final decision

My final decision is that:

- I think X's complaint in relation to Bank of Ireland (UK)'s decision to withdraw personal loan products was raised too late.
- I don't uphold X's complaint against Bank of Ireland (UK) in relation to the credit file reporting.

I also note that an offer has been recommended by the investigator which Bank of Ireland (UK) has accepted. I leave this to X to decide if he wants to accept this offer.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 26 March 2026.

Claire Lisle
Ombudsman