

The complaint

Mr A is unhappy that Bank of Ireland (UK) Plc (BOI) appointed Law of Property Act Receivers (LPARs) on two of his buy-to-let (BTL) mortgage accounts.

Mr A says the level of missed payments didn't justify BOI's actions, which have caused him financial loss, distress and inconvenience.

What happened

I will summarise the complaint in less detail than it's been presented. There are several reasons for this. First of all, the history of the matter is set out in detail in correspondence, so there is no need for me to repeat the details here. I will instead concentrate on giving the reasons for my decision. In addition, our decisions are published, so it's important I don't include any information that might lead to Mr A being identified. So for these reasons, I will keep my summary of what happened quite brief.

Mr A had three BTL mortgages with BOI. Mr A's complaint is about the BTL mortgages on two properties I will call P1 and P2.

In September 2019 BOI appointed LPARs for P1. In November 2021 BOI appointed LPARs for P2. This was because of arrears on the accounts, and what BOI considered to be a lack of co-operation from Mr A in providing information the bank required about his financial circumstances.

Mr A complained to BOI about this. He said the level of arrears was low compared with the property values. Mr A is also unhappy that BOI refused to accept Mr A's offer to repay the mortgage on P1 before the property was sold.

BOI didn't uphold the complaint so it was brought to our service. An investigator looked at what had happened and explained to Mr A that we couldn't look at the actions of the LPARs, as they're not covered under our rules.

As far as BOI's decision to appoint LPARs was concerned, the investigator was satisfied BOI had acted in accordance with the terms and conditions of the mortgages. The investigator thought BOI's actions were reasonable, considering the conduct of the account. The investigator didn't think that Mr A had made a firm proposal to pay off the mortgage on P1; BOI had told him what would be needed to do this, but Mr A didn't provide the required information. As a result, the investigator didn't think Mr A had made a firm proposal to pay off the mortgage.

Mr A disagreed and asked for an ombudsman to consider the complaint. He didn't think the investigator had taken everything into consideration. Mr A also said that BOI had *"got away with twisting evidence"* and had broken the law. Mr A said he *"would like an ombudsman to help me in this case not an investigating officer who had not clearly all the necessary evidences"*.

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.

The evidence in the case is detailed, running to over 1,200 pages of documents. I've read everything, and it's apparent that some parts of the evidence are less relevant to the underlying case than others. There are also a lot of duplicated documents and repetition of arguments. If I don't mention something, it won't be because I've ignored it; it'll be because I didn't think it was material to the outcome of the complaint. This approach is consistent with what our enabling legislation requires of me. It allows me to focus on the issues on which I consider a fair outcome will turn, and not be side-tracked by matters which, although presented as material, are, in my opinion peripheral or, in some instances, have little or no impact on the broader outcome.

I can't look at the actions of the LPARs because they aren't covered by our rules. But I can look at whether BOI's decision to appoint LPARs and to proceed with a sale of P1 was reasonable.

Mr A doesn't dispute that the mortgage terms and conditions allow BOI to appoint LPARs where the account is in arrears. Rather, Mr A thinks BOI shouldn't have appointed LPARs when it did, given that the arrears were so small relative to the value of the properties.

Having reviewed the account histories, I'm satisfied that from July 2016 the accounts have almost always been in arrears. I note that in 2017 Mr A explained that the rent on all three of his BTLs were paid on time, but that he was using the rent to supplement his own income, which was seasonal, rather than paying the mortgage. I also note that, although Mr A was granted forbearance due to the pandemic, following that there was a lack of engagement from Mr A in communicating with BOI.

I will not set out all the details, in order to preserve Mr A's anonymity. But I'm satisfied that the conduct of the accounts was not satisfactory, both in terms of Mr A paying off the arrears and in relation to his lack of engagement with BOI – particularly in relation to providing information about his financial circumstances. It was reasonable for BOI to have this information, because otherwise it wouldn't be able to give proper consideration to any proposals Mr A might have to manage his accounts.

Mr A claimed to have been in the process of arranging a bridging loan (in his wife's name) to redeem his BOI mortgages, but I note that, although BOI requested a copy of the offer, this wasn't provided. In the circumstances, I'm satisfied it was reasonable for BOI to proceed with the sale of P1.

Taking into account all the circumstances of this case, I'm satisfied BOI acted reasonably, both in relation to its appointment of LPARs and in selling P1. I appreciate this isn't the outcome Mr A was hoping for. He's referred to BOI having "*broken the law*". However, only a court can determine whether BOI has broken any laws; it's outside the remit of the Financial Ombudsman Service to decide this. If Mr A decides not to accept my decision, he will be free to pursue his grievances against BOI in court, should he wish to do so. Mr A might want to take advice from his solicitors before embarking on any legal action against the bank.

My final decision

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

This final decision concludes the Financial Ombudsman Service's review of this complaint. This means that we are unable to consider the complaint any further, nor enter into any correspondence about the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 17 August 2023.

Jan O'Leary
Ombudsman