

The complaint

Mrs O and Mr O complain about the service Santander UK Plc provided when their mortgage was coming to an end.

What happened

Mrs O and Mr O's mortgage with Santander was coming to an end on 1 March 2023. On around 2 February Santander wrote to Mrs O and Mr O letting them know they'd collect their final monthly mortgage payment and account fee – a total of just over £300 - by direct debit on 1 March. The letter also set out how to pay by cheque.

Mr O set up an alert on his bank account to let him know when a payment over £300 had been made. When he didn't receive an alert, he sent Santander a cheque. Mr O discovered later that Santander had collected the payment by direct debit. But since they'd done so in two parts, the alert he'd set up hadn't operated.

Mr O complained to Santander. They apologised for their letter being confusing and offered £75 compensation. Mr O didn't think that was enough to put things right. And he was unhappy with the service he received in relation to the complaint. So, he brought it to the Financial Ombudsman Service.

Mr O said, in summary: Santander should change the format of their letter to remove ambiguity about how to pay; they should collect the full payment, not two separate payments; they should, broadly, provide training to their complaints team on customer service; and he was unhappy with how the deeds had been returned to him and Mrs O.

Our investigator didn't think Mrs O and Mr O had suffered any financial loss. She didn't think there were any further steps Santander needed to take. And she thought Santander's offer of £75 for the distress and inconvenience Mrs O and Mr O had been put to was fair compensation in the circumstances.

Mrs O and Mr O didn't agree. So, their complaint's 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.

I appreciate Mrs O and Mr O feel strongly about what happened. But for reasons that are similar to our investigator's, I think Santander have done enough to put things right.

I've noted Mr O's concerns about the systems Santander have in place. I don't have the power to require Santander to change those. That would be an issue for the regulator, the Financial Conduct Authority, to look into. I can only consider the individual circumstances of Mrs O and Mr O's complaint.

Santander's February 2023 letter set out the amount due from Mrs O and Mr O to close their

mortgage account. The letter made clear they would have to pay two separate amounts totalling just over £300. But it said the total amount would be collected by direct debit. I can understand why Mrs O and Mr O thought the two amounts would be collected together.

Mr O relied on an alert on his bank account to let him know if the around £300 had been collected by Santander. I think he could have checked his account to see if the money had been taken before sending a cheque. But Santander accepted they could have made the letter clearer, apologised and offered compensation. I think that was fair in the circumstances.

I can see it was inconvenient to have gone to the trouble of sending the cheque when it wasn't needed. I can understand if Mrs O and Mr O were worried about paying twice although they knew the mortgage account had been closed by mid-March. Santander told Mr O when he rang to raise his concerns that since the account was closed, the cheque was likely to bounce back if they tried to apply it to the mortgage. I appreciate Mr O felt he had to complain about what had happened and the wider issues he felt it raised. But Santander acted promptly to address his concerns, offer compensation and send a written response to the complaint.

I note Mr O's concerns about the service the complaints team provided. We don't generally have the power to consider complaints about complaint handling. And I won't consider that aspect here, although I note Santander apologised for mistakes they made.

Bearing everything in mind, I think £75 is fair and reasonable compensation for the impact of what happened. I take Mr O's point he incurred postage costs in sending the cheque. But I think the £75 fairly covers those costs. So, I won't ask Santander to pay them in addition.

I can understand Mrs O and Mr O would have liked the cheque to have been sent back. But Santander said they couldn't find it. And they explained that since the mortgage account had closed, they wouldn't be able to present the cheque successfully. Given the limited risk of Mrs O and Mr O paying twice, I don't think Santander needed to do anything further. It seems likely the cheque has expired by now. But if Mrs O and Mr O are still worried, they could contact their bank to cancel it.

I'm not aware Mrs O and Mr O complained to Santander about the way in which their title deeds were delivered. But since it's part of their complaint about service, I think I can address it here. Mrs O and Mr O have told us the deeds were sent by Royal Mail special delivery. Santander could reasonably expect the postal service to have asked Mrs O and Mr O for a signature when they delivered them. It wouldn't be fair to hold Santander responsible for the deeds being left outside their property. I'm pleased to hear Mrs O and Mr O received them safely despite what happened.

Bearing everything in mind, whilst I understand Mrs O and Mr O will be disappointed, I don't uphold their complaint.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O and Mr O to accept or reject my decision before 25 February 2024.

Julia Wilkinson
Ombudsman