

## **The complaint**

Miss A and Mr D complain that due to Santander UK Plc's poor service the purchase of their home was delayed by around four weeks.

To put matters right they want Santander to reimburse them one month's worth of rent and storage costs, a total of £785.

## **What happened**

Miss A and Mr D applied for a mortgage with Santander on 7 June 2023. A mortgage offer was issued on 5 July 2023. On 25 August 2023, Miss A and Mr D's solicitor contacted Santander to query whether the property had been valued based on it being a three, or a four bedroom property. The solicitor said that it had come to light that a Section 106 Agreement (S.106) was in place that restricted the property to a maximum of three bedrooms.

Santander responded on 1 September 2023, confirming that the valuation was based on the property having four bedrooms. The solicitor responded on 4 September 2023, to ask whether the S.106 would affect the mortgage offer and to ask whether Santander wanted to have the property revalued in light of the S.106.

On 19 September 2023, Santander responded to the solicitor and asked for a copy of the S.106. The solicitor provided a copy on 21 September 2023 and an automated valuation for mortgage purposes was carried out on 22 September 2023. On 27 September 2023, Santander confirmed that the valuation of the property had not been affected by the reduction in the number of bedrooms. The mortgage completed on 13 October 2023.

Miss A complained to Santander about its slow response to the information provided by her solicitor regarding the S.106 Agreement. She said she had incurred additional costs as a result of the delay caused by Santander, and she said she had spent time chasing Santander to try to get the matter resolved.

Santander upheld the complaint. It said it accepted that it could have responded more quickly, and it paid Miss A £200 to compensate her for its poor service.

Miss A did not accept Santander's response and referred the complaint to this service. She reiterated her concerns about the very poor service Santander had provided and said she felt it should cover the cost of one month's worth of rent and storage costs. She said she felt they would not have incurred these costs if Santander had responded more promptly.

Our investigator said she was of the view that the offer Santander had made was fair and reasonable and she didn't think it needed to do more to put matters right.

Miss A and Mr D were not satisfied with our investigator's view, so the complaint has been passed to me to be determined.

## **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 have reached the same view as our investigator, and for much the same reasons. I'll explain why.

I appreciate that Miss A feels Santander is responsible for a one month delay between late August 2023 and late September 2023, when it confirmed that the valuation was not affected by the S.106 Agreement. I can't reasonably agree with Miss A's position. In reaching this view I have taken into account that when the solicitor first contacted Santander about the S.106 Agreement on 25 August 2023, it did not provide a copy of the agreement. I must also take into account that the solicitor did not indicate that an urgent response was required. In any case, Santander did respond promptly (on 1 September 2023) and confirmed that the property had been valued based on it having four bedrooms.

I agree that there was a delay between 4 September 2023, when the solicitor asked whether the reduction in the number of bedrooms would affect the valuation of the property, and 19 September 2023, when Santander responded asking for a copy of the S.106 Agreement. However, once the S.106 Agreement was provided on 21 September 2023, I think Santander acted promptly. I note that a revised desktop valuation was carried out on 22 September 2023 and Santander confirmed to the solicitor that the property valuation had not been affected by the reduction in the number of bedrooms on 27 September 2023.

I think the £200 Santander has paid Miss A for the delay it caused between 4 September 2023 and 19 September 2023, is fair and reasonable in the circumstances of this complaint and I don't think it needs to pay more to compensate Miss A and Mr D for this delay.

I appreciate that Miss A feels Santander should have had more robust processes in place and its staff should have been familiar with S.106 Agreements and should have known whether it would affect the valuation of the property. But I think the £200 Santander has already paid is fair for the delay any confusion on its part caused.

I do understand that it would have been worrying for Miss A and Mr D to find out at such a late stage in their property purchase that there was an issue that might affect the property valuation. But I can't reasonably hold Santander responsible for this issue coming to light at such a late stage.

I am mindful that despite the mortgage offer having been issued on 5 July 2023, the solicitor acting for Miss A and Mr D did not contact Santander about the S.106 Agreement until 25 August 2023. Property searches usually take around two to three weeks to complete so it is not clear to me why the solicitor acting for Miss A and Mr D did not contact Santander about the S.106 Agreement until late August 2023.

Even if the searches were not instructed until the mortgage offer was received on 5 July 2023, I am mindful that it was over 7 weeks from the date the mortgage offer was issued to the date the solicitor contacted Santander about the valuation. I note Miss A says that the solicitor only obtained a copy of the S.106 Agreement on 22 or 23 August 2023. It is not clear why this was the case, but it appears that the majority of the delay Miss A and Mr D experienced was related to the delay in the solicitor obtaining the S.106 Agreement. I can't reasonably hold Santander responsible for this.

**My final decision**

My decision is that, for the reasons I have set out above, I do not think Santander UK Plc needs to do any more than it has already done to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A and Mr D to accept or reject my decision before 5 July 2024.

Suzannah Stuart  
**Ombudsman**