

The complaint

Mr F complains that Santander UK Plc didn't tell him it had instructed solicitors to take legal action regarding his mortgage. He asks for an opportunity to discuss repayment options.

What happened

Mr F took out a mortgage with Santander in 2007 on an interest only basis. The term expired in 2017 with an unpaid balance.

Mr F was unable to refinance the mortgage. He told Santander the security property needed work done before he could sell it. Santander extended the mortgage term twice, to mid-2022, to allow time for this.

In mid-2022 Mr F asked Santander to extend the term again as he'd been unable to sort out the problem with the property. Santander declined. It agreed holds on recovery action to allow Mr F time to complete work on the property and market it for sale. In late 2023 Santander told Mr F it could no longer hold recovery action and he was at risk of litigation.

In May 2024 Santander instructed solicitors. Santander applied legal fees to Mr F's account in late 2024. Mr F complained, saying Santander hadn't told him it had instructed solicitors and started legal action.

Santander says the solicitors wrote to Mr F and it told Mr F in June 2024 that the matter was with its solicitors. It says it gave Mr F the solicitors' contact details and asked him to keep the solicitors informed of his plans to repay the mortgage.

Our investigator said Santander allowed Mr F about seven years after the term first expired to repay the mortgage before instructing solicitors. At the end of that period, very little had changed. Our investigator said Santander made Mr F aware that it had instructed solicitors and hadn't treated him unfairly.

Mr F didn't agree. He said he'd spoken to the solicitors thinking he was speaking to Santander and this had caused confusion. Mr F said the Covid-19 pandemic caused delays. He said he'd asked for contact by email or phone, and not letters. Mr F said he and his partner had health problems over the last few years and he'd spent time out of the country dealing with family matters.

Mr F says Santander applied for an eviction notice in late 2024, which he was unaware of until recently when a family member visited the property and collected the post. He says Santander failed to tell him promptly that it had asked the court to cancel the eviction order. Mr F also said he'd had problems making capital repayments.

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.

First, I must be clear that I won't be looking into the new issues Mr F has raised while the

complaint has been with us. I will only consider the complaint that Mr F raised with Santander in November 2024 and brought to us in December 2024. That is, his complaint that Santander didn't tell him that it had instructed solicitors to start legal action.

The solicitors wrote to Mr F in May 2024 to tell him that Santander had instructed them and that they would start legal action within seven days. The solicitors wrote to Mr F three times in July 2024. They told him they'd started legal action, notified him of a court hearing in August 2024 and asked him to get in contact with payment proposals to avoid possession action. The solicitors sent a witness statement to Mr F in August 2024.

Mr F called Santander in June 2024 to make a payment and update it regarding his plans to market the property for sale. I've listened to a recording of this call. Santander told Mr F the account was now with the solicitors. It said the solicitors were handling the account and Mr F should contact them. Santander gave Mr F the solicitors name and, at Mr F's request, their phone number.

Mr F says he'd asked for contact by phone or email. He says the solicitors didn't send copies of their letters by email. Mr F also said emails from Santander had gone into his junk file, and this might be the case with emails from the solicitors. While I think it was fair for the solicitors to write to Mr F, they ought also to have sent copies by email – it's unclear if they did. It's possible Mr F didn't see letters delivered to the property as he was out of the country, and he didn't receive emails either. But even if Mr F didn't see the solicitors' letters in mid-2024, he was told solicitors had been instructed during his call with Santander in June 2024.

I'm sorry if Mr F was at times unsure whether he was speaking to Santander or to its solicitors. But having seen the letters sent to Mr F and listened to his call with Santander in June 2024 I think Santander did enough to make Mr F aware that solicitors had been instructed.

When Mr F took out the mortgage he agreed to repay it. The mortgage term expired in 2017. Since then, Santander extended the term twice and allowed Mr F to take out a preferential interest rate product during the term extension. It continued to hold recovery action after this, to allow Mr F further time to arrange repayment of the mortgage.

Mr F told Santander he was unable to refinance the mortgage. He told Santander there were problems with trying to sell the property – principally that it required work to be done first. This situation didn't change over the seven years after the term first expired.

Santander provided notes of its calls with Mr F. I think it made him aware that it wouldn't continue to hold recovery action. For instance, Mr F called Santander in October 2023 as he'd received a letter before action. Santander told Mr F it couldn't hold action and he was at risk of legal action. When Mr F spoke to Santander in April 2024, it said it couldn't offer a hold and so the account was open to calls, texts and letters and possible litigation.

I'm sorry to hear that Mr F and a close family member have been unwell. It must have been difficult having to deal with family matters overseas, as well as trying to sort out problems with the property and repayment of the mortgage. I think Santander treated Mr F fairly in the circumstances. It allowed him a significant amount of time to repay the mortgage. It told Mr F it couldn't continue to hold recovery action. It told Mr F that it had instructed solicitors, gave him contact details for them and said he should contact the solicitors about the account.

Santander held legal action while the complaint was with us. As our process has now come to an end, Santander might re-start legal action, if the mortgage is not repaid. I understand that Mr F has made payments to reduce the mortgage balance, and hopes to continue to do this. Mr F should remain in contact with Santander or its solicitors about his plans to repay

the mortgage.

My final decision

My 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 3 June 2025.

Ruth Stevenson
Ombudsman