

The complaint

Mr K complains that Santander UK Plc hasn't yet made a decision on whether he can put a joint mortgage in his name alone. Mr K's income is complex, but he says the payment history and equity in the property should be enough to allow Santander to lend to him.

What happened

Mr K said he was divorcing the other person named on his mortgage with Santander, and wanted to move the mortgage on the former family home into his sole name. Mr K said he'd applied to Santander to do that, starting in November 2024, but it was dragging its heels with his application. Mr K said Santander had almost halved the amount it was prepared to lend him, and even that hadn't stopped Santander's constant requests for more information. He said he was already a customer, but Santander wanted to know everything about his finances, his companies, and how he was going to pay the mortgage.

Mr K said Santander wasn't responding promptly when he did send it what it asked for, and he said Santander hadn't lodged his complaint about how long this was all taking, when he first asked it to. Mr K said he remained responsible for all the payments and expenses for his family until the property was in his sole name. So he said this was causing financial difficulties, and he couldn't keep paying much longer. He wanted us to step in.

Santander said it was sorry this application was taking longer, but it didn't think that was its fault. Santander said it had to collect information to show that Mr K could afford this lending by himself, before it could change the existing mortgage to be in his name only. Santander didn't think it had made a mistake by raising a number of requests for information from Mr K.

Santander did accept it should have raised Mr K's complaint earlier, and it paid him £50 to say sorry for that.

Our investigator didn't think this complaint should be upheld. He said Santander had to make sure that material changes to a mortgage – like moving this mortgage into Mr K's sole name – are sustainable. So it needs to gather detailed information about Mr K's financial situation. And our investigator thought the information Santander requested was reasonable in order to progress the application.

Our investigator said Mr K had declared he was a 100% shareholder of a company. But that company hadn't been trading for very long, and Mr K had only recently moved to self-employment, having previously been employed. So there was limited evidence of his earnings, which meant the maximum Santander would lend was reduced.

Mr K said then he had limited savings so he couldn't make up the shortfall in lending, but would soon add another rental property to his portfolio. Then he said he did have the savings after all, and his application continued in December. Santander asked questions about the source of this deposit, which our investigator said was reasonable. And it also asked how the rental properties Mr K and his former spouse owned would be split between them, which again was reasonable.

Our investigator thought it was in late January 2025 that the application began to stall. Mr K had been asked to submit accountant information about his company, but the information Santander received was for a different company to the one Mr K originally said his income came from. That raised questions, as Santander then realised Mr K was the director of three separate companies. And Santander needed to be clearer on where Mr K's income was coming from. The information it got then generated further questions, about Mr K's predicted income and about how some figures on funds and dividends were worked out.

Our investigator said he understood Mr K's frustration, but Santander does have to carry out detailed checks in situations like this. It must be satisfied that Mr K's income is sustainable – and that the change to the mortgage which he wants will still be affordable for him in the long term. Our investigator understood why Mr K wanted things to move forward quickly, but he thought Santander had acted fairly. He said given the complexity of Mr K's income, and the number of businesses involved (some of which weren't mentioned at the outset) he didn't think the overall reason this mortgage application hadn't yet progressed was delays on Santander's part. He thought Santander was only taking appropriate steps to fully understand Mr K's financial circumstances before making a lending decision.

Mr K disagreed. He said Santander wasn't willing to engage with his accountants. And he stressed that he'd been a Santander customer for years, with no problems and no missed payments. He said the house was worth many times what he was asking Santander to lend, and he still felt Santander was causing delays. He thinks this should be an easy decision for Santander to make, given his good payment history.

Because no agreement was reached, this case was referred to me for a final decision.

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've reached the same overall conclusion on this complaint as our investigator.

I can see that our investigator set out this application to date in some detail, as well as the reasons why he understood Santander hadn't yet reached a decision. In response, Mr K said he felt Santander could simply rely on the large amount of equity in the property, and the excellent payment history he'd maintained for many years, to offer him this lending.

I'm sorry to have to tell Mr K that I don't agree that Santander can simply rely on a combination of equity in the property and past payment history to offer him the lending he would like. As our investigator set out, Santander is responsible for making sure that the changes Mr K would like to make to this mortgage are sustainable for him in the longer term. In order to do that, it has to understand his sources of income, and to be able to see that this income is likely to continue for him at its current level.

It does appear as if this task has been much more complicated for Santander, because Mr K's income source has changed over the last few years. Until early 2021, Mr K operated a company which he says has now become dormant – although it appears that dividends have been paid to Mr K by this company since then. Mr K worked on an employed basis between late 2021 and late 2022. He operated one company from late 2022, until January 2024. That company is the one Mr K mentioned when he first asked Santander for lending. But that company is apparently no longer intended to be Mr K's main source of income. He says another company, only established in 2024, will become his main source of income, going forward.

I think it's understandable that Santander has found it more complicated to assess Mr K's likely future income, based on this scenario. So I can't say it's unfair or unreasonable for Santander to have repeatedly asked for additional information. And I haven't been able to see that Santander has delayed unreasonably in responding to information it has received from Mr K or his accountant.

Mr K's application started in November 2024. I can see a break of almost a month between the end of November (when Mr K said he didn't have enough savings to make up the shortfall between his current joint mortgage and the amount Santander would lend to him alone) and the end of December (when he said he did have enough savings after all). For the remainder of the time before Mr K complained to our service, it looks as if Santander was trying to progress Mr K's application.

I appreciate that this has taken a long time, and the application wasn't concluded at the start of March 2025, when Mr K asked us to look into things. That is longer than I would usually expect a mortgage application to take. However, overall I think, as our investigator suggested, that the length of time taken here is mainly because of the complexities of Mr K's income streams, and the time it has taken for those to fully emerge. And I don't think Santander is responsible for that, so I don't think Mr K's complaint about the delays here should be upheld.

Santander has paid Mr K £50 for not logging his complaint in late January, when he asked it to do so. As Santander replied to Mr K's complaint on 6 February, the delay in receiving a complaint response appears to have been modest, so I think the payment Santander has made provides a fair and reasonable outcome to this part of Mr K's complaint.

I know Mr K will be disappointed, but I don't think Santander has to do any more. And that means this complaint won't be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 15 July 2025.

Esther Absalom-Gough

Ombudsman