

The complaint

Miss H complains about delays and the poor service she received from Santander UK Plc when she was moving to another property and trying to port her mortgage following her separation from her partner.

What happened

Miss H had a joint mortgage with her partner that had a fixed rate mortgage product with Santander. They separated in February 2023, but Miss H continued to live in the house with their child. The house was put on the market in February 2024, and they accepted an offer shortly afterwards. Miss H needed to look for an alternative property and enquired about porting the existing fixed rate product with Santander which was a five-year fixed product with an interest rate of 1.8%.

In a phone call Miss H was told that she could apply for a mortgage of £204,992.00. So, Miss H looked for properties up to £250,000.00. But then she was told that because her maintenance payments went into a joint account she could only be offered £147,000.00. When Miss H dealt with that, she was then told that she could be offered £189,000.00 and with help from her parents she was able to continue with the offer on the house. Next she was told by her adviser at Santander that because of mistakes with earlier calculations that it could only offer £175,000.00. But this was further reduced to £170,000.00 when the adviser spoke to the underwriters. At that time Miss H was coming under pressure from her purchasers to exchange contracts so on 30 May spoke to three people at Santander to confirm that the lowest offer would be £170,000.00. With that confirmation Miss H exchanged contracts but was then told that she would only be offered £136,000.00. Miss H was distraught and pressed her Santander adviser and within a few days got an offer of £171,309.00 which allowed her to proceed.

Santander says that the figures it initially suggested were based on information provided by Miss H and that the figures changed as the evidence produced by Miss H was considered and reviewed and only one mortgage offer was made which was for £171,309.00. It paid Miss H £150 as compensation which it considered fair. Our investigator didn't recommend that this complaint should be upheld as Santander was able to explain how it came to the different figures and there were no unreasonable delays in the process. Miss H disagreed and asked for a review.

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 looked carefully at Santander's internal notes related to this transaction. It appears that there were three issues that caused a problem. Firstly, there were outstanding unsecured debts that needed clearing before an offer issued. Secondly, at one stage incorrect figures were keyed into the system that meant on 30 April Miss H was given figures indicating that she had the potential to get higher borrowing than was the case. I see figures of £188,000.00 and £197,000.00 referred to. But what essentially held up the mortgage offer

was that part of her income supporting the mortgage was composed of maintenance payments, but these were paid by way of a lump sum together with other payments by her former partner into a joint account and weren't separately identified as such. If the maintenance payments weren't included it would reduce the affordability and potential borrowing.

Santander's procedure was to require evidence of three months maintenance payments appearing in Miss H's separate account. The notes indicate that the underwriter was asked to reconsider that requirement but sets out internally why the procedure should be followed even if as here, Miss H had a legal document showing that the maintenance payments should be made. But I can't fault the underwriter for requiring compliance with Santander's policy and that policy of requiring evidence of payments to a separate account doesn't seem unreasonable.

But it would mean that there would be a delay in Miss H knowing what the actual mortgage offer was going to be. It would have been more satisfactory if Miss H had been given a definite figure earlier but I can't see how that could have occurred until the Santander underwriter obtained the evidence of the maintenance payments being paid into a separate account as required by Santander's policy which meant there would be a delay. Happily, satisfactory evidence could be produced of payments to the separate account and the application could move to a mortgage offer. There is a note dated 28 May that Miss H was told by her solicitors that she required an offer by 13 June, and I see that offer was issued on 11 June.

I've carefully considered the file in this case, and I realise how frustrating the process was for Miss H. I see that different potential borrowing figures are mentioned to Miss H but that can sometimes be the case until the final income for mortgage purposes is evidenced and until the mortgage offer issues. I don't consider that there are any unreasonable delays in processing the application and that the £150 paid by Santander to Miss H represents fair compensation for the error in the figures I've referred to above. So, I can't fairly uphold this complaint.

My final decision

My decision is that I do not uphold his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 13 August 2025.

Gerard McManus
Ombudsman