

The complaint

Mr C complains that Santander UK plc caused delays with his mortgage application and as a result he had to pay more stamp duty land tax (SDLT) than he would otherwise have done.

What happened

Mr C was buying a new property and applied to Santander for a mortgage. He was keen to complete the purchase before changes to SDLT rates came into force on 1 April 2025, because the changes meant he would need to pay more tax if completion didn't happen by then.

Mr C submitted his mortgage application online on 3 March 2025. Santander approved the application on 24 March and the mortgage completed on 17 April – too late to benefit from the government SDLT concession. Mr C had already made a complaint to Santander in late March, because it had failed to instruct a property valuation and he was worried about the time the process was taking.

Santander sent Mr C its response to his complaint on 1 April. It accepted it hadn't instructed a valuation when it should have done and said it had caused a delay of four days. But it didn't think Mr C would have been in a position to complete on the mortgage before 1 April in any case, so it didn't offer to compensate him for the extra SDLT he would have to pay. It paid Mr C £250 as an apology for the delay in issuing the mortgage offer.

Mr C referred his complaint to us. Our Investigator found that the mistakes with the valuation weren't the only reason Mr C's purchase took as long as it did. She said that Santander had legitimate questions about the application which meant completion couldn't have happened by 1 April, and it had issued a mortgage offer within its usual timeframe. The Investigator didn't recommend that Santander pay Mr C any further compensation.

Mr C didn't accept that conclusion and asked for an Ombudsman's review, so his complaint has been referred 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.

Having done so, while I realise Mr C will be disappointed, I've concluded that I can't fairly require Santander to pay more than it already has to settle this complaint. It's unfortunate that Mr C's property purchase didn't complete in time for him to take advantage of lower SDLT rates, but I don't think this was a result of mistakes Santander made.

Mr C submitted his mortgage application on 3 March. Santander approved it on 24 March. Between 3 and 24 March Santander and Mr C were in regular contact because Santander wanted more information and documents to assess the application. That included proof of identity, bank statements, proof of income from self-employment, and proof of the source of the money Mr C was using as a deposit for the new property. Santander also questioned an

entry on Mr C's bank statements and wanted to know whether Mr C had taken any government support during the coronavirus pandemic.

I think these were reasonable questions. However, there was a delay between 24 and 31 March. Santander has said that it would usually expect to issue a mortgage offer within two days of approving an application, but it hadn't instructed a valuation of the property Mr C was buying when it should have done – and it couldn't issue an offer without a valuation.

Mr C chased this up multiple times, including contacting the valuers Santander used. I think his intervention meant the problem with the valuation was identified more quickly than it would otherwise have been. But Santander then acted quickly and instructed a valuation, and issued an offer on 31 March – although I agree with Mr C that that didn't leave him enough time to complete before 1 April.

It's not in dispute that Santander caused delay because it didn't instruct the valuation sooner. Importantly, however, I'm satisfied that this isn't the reason Mr C couldn't complete his purchase by 1 April. On his mortgage application he had said that he wasn't receiving any gifted money to pay the deposit on the new property. Santander queried the source of the deposit during its assessment of the application, and Mr C told it this was coming from the proceeds of the sale of his previous property, savings, and the new Santander mortgage.

It wasn't until 9 April, following the issue of the mortgage offer on 31 March, that Mr C's solicitors told Santander that part of the deposit was gifted by family members. I think this was a relevant consideration for Santander as mortgage lender, and it was reasonable in asking for more details and then in issuing a revised offer to include a condition protecting its security in case of any interest in the property from the donor of the gift. It issued a revised offer with the further condition on 14 April. Completion then took place on 17 April.

In all the circumstances, I can't fairly conclude that completion would have taken place by 1 April but for the delay Santander caused with the valuation. Santander had reasonable questions when assessing Mr C's mortgage application and the existence of a partially gifted deposit didn't come to light until a late stage. Mr C was working to a very tight timescale, hoping to get a mortgage offer and complete on his purchase within four weeks – but there was never any guarantee that would happen. Santander has said that it generally expects to issue a mortgage offer within four to six weeks of an application, and I think that's reasonable. It met that timescale here, issuing the first offer on 31 March. Even if it had done that a few days earlier, as might reasonably have been expected had it instructed a valuation sooner, the existence of the gifted deposit and the further enquiries and checks that prompted would have pushed completion beyond 1 April.

For these reasons, I don't consider that Santander should compensate Mr C for the extra SDLT he had to pay because his property purchase didn't complete by 1 April. Santander has already paid Mr C £250 by way of compensation. Mr C had to make multiple calls trying to get the valuation done and experienced some avoidable stress, frustration and inconvenience. In all the circumstances, I consider £250 a fair and reasonable award, so I don't require Santander to pay any more.

My final decision

My final decision is that Santander has done enough to put things right, so I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 January 2026.

Janet Millington
Ombudsman