

## **The complaint**

This complaint is about a buy-to-let (BTL) mortgage that Miss N holds with Santander UK Plc. It's one of two complaints Miss N has brought to us, both of which relate to how Santander has treated Miss N since she fell into arrears on the mortgage. The main thrust of this complaint is Santander issuing a letter before action when Miss N believes she was still in a payment arrangement, and its appointment of Receivers to manage the property even though Miss N contacted it within the 15-day period given in the letter.

## **What happened**

The basic background to this complaint is well known to both parties so I won't repeat the details here. Our decisions are published, and it's important that I don't include any information that might result in Miss N being identified. (For that reason, I'll be rounding any figures unless context requires they be exact).

Instead I'll focus on my decision and the reasons for it. No discourtesy or lack of care is intended by that. It's simply a reflection of the informal service we provide, and if I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint. This approach is consistent with what our enabling legislation requires of me.

It allows me to focus on the issues on which I consider a fair outcome will turn, and not be side-tracked by matters which, although presented as material, are, in my opinion peripheral or, in some instances, have little or no impact on the broader outcome.

Our Investigator didn't think Santander had treated Miss N unfairly. Miss N asked for the case to be reviewed by an ombudsman.

## **What I've decided – and why**

I'll start with some general observations.

I can't consider the fairness or otherwise of the actions taken by the Receivers since they were appointed, the fees they have charged for the work they've carried out, or the impact on Miss N (or her tenant) of the Receivers' decisions. The Receivers, once appointed, act for Miss N, not Santander. There's nothing in the evidence provided that leads me to conclude that Santander was or is controlling or influencing the Receivers since the appointment was made. The rules of the Financial Ombudsman Service don't permit me to consider the acts or omissions of a firm of Receivers acting for a complainant.

We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers. In doing that, we work within the rules of the ombudsman service and the remit those rules give us. We don't replicate the work of the courts.

We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else.

In doing that, we don't replicate the work of the courts. Whilst statutory, our scheme is intended to provide swift outcomes to disputes between business and the customers, with a minimum of formality. We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service, which include our jurisdiction.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

That includes listening to recordings of Miss N's phone conversations with Santander during the relevant period. It also includes Miss N's closing submission received on 21 April 2026.

Where there's a dispute about what happened, and the available evidence is contradictory and/or incomplete, we reach our conclusions on what is most likely to have happened on the balance of probabilities. That's broadly consistent with the test used by the courts in civil cases.

It's for us, rather than the parties to the dispute, to decide what evidence we need to reach a fair outcome. It's also for us to assess the reliability of evidence, from both sides, and decide how much weight should be attached to it. When doing that, we don't just consider individual pieces of evidence in isolation. We consider everything together to form a broader opinion on the whole picture.

I've already explained why, once the LPA Receivers were appointed, any act or omission on their part falls outside the jurisdiction of the service. But I can consider if Santander was justified in appointing the Receivers. Overall, I think it was. I'll explain why.

It's important to remember that the mortgage, as a BTL, is unregulated; it is a commercial transaction. An enterprise engaging in commercial activity, such as Miss N is doing here, is held to a different standard, and is not covered by the regulatory protections that apply to residential mortgage borrowers. It's also important to remember that Santander's decision-making will have been influenced and informed by the history of the mortgage, and Miss N's conduct of it prior to the decisions it took in September and October 2025. The account was in substantial arrears, and although Miss N had been in a payment arrangement, that arrangement ended on 9 September 2025.

It's against that background that I have to assess the decision Santander made, and the actions it took, after the arrangement ended. Sending the letter before action was a fair and proportionate action; it was informative in that it told Miss N what she needed to do next, gave her a reasonable notice period in which to do it, and advised her of the potential consequences of not doing so.

It's common ground that Miss N did contact Santander within the notice period, but simply making contact with Santander within the 15-day period given in the letter before action wasn't, in itself, enough to 'stop the clock', so to speak. Miss N still needed to reach a substantive new agreement with Santander. Having listened to the key phone call made on 7 October 2025, it's firstly clear that Miss N understood her existing arrangement had ended, as she says so at the start of the conversation. It's also clear to me that the conversation didn't result in a substantive new agreement being reached, because the discussion would

need to continue in a subsequent call, which didn't happen before the 15-day notice period expired.

Viewed in that context, I can't in all fairness find that Santander acted unreasonably by appointing Receivers when the 15-day notice period expired without further contact and a substantive new arrangement being agreed. What has happened since the appointment was made is the subject of the separate complaint.

I'm mindful that Miss N feels that one of the case-handlers with whom she dealt was insensitive and rude. That's a subjective area; everyone reacts differently to what is said and how it is said. One person's rudeness is another's plain speaking, and it's not my role to say that one person's reaction is more or less valid than another's. I also have to keep in mind that the underlying messaging would have been unwelcome to Miss N, regardless of how it was delivered. I in no way disregard Miss N's feelings on the issue, but after listening to the call recordings, I'm not persuaded there's an award of compensation for unfair treatment for me to make here.

That begs the question of what happens next. I don't know what Santander's (or the Receivers') intentions are regarding the mortgaged property. But clearly enforcement of the security is something to consider as a next step. It's important to explain here that lenders will generally agree not to pursue recovery action whilst we look at a complaint, but they don't have to and we can't force them to.

If the Financial Ombudsman Service had that power it would undermine our impartiality between the parties to a complaint. It would also create the potential for complainants to use our service to bring complaints with the intention of having any legal action put on hold, thereby obstructing businesses that were trying to take action through the courts to recover money legitimately owed by the complainants.

I do not wish to alarm Miss N but I would not want her to be under any misunderstanding that we would tell Santander that it must delay recovery action in the event of any new complaint being raised about the mortgage. It is a matter for a court to decide whether it is appropriate to adjourn or suspend any legal action, not this service.

I know this isn't the outcome Miss N wanted. She is faced with the prospect of losing her investment property. It might help her to have some advice from an independent financial adviser to discuss her options.

### **My final decision**

My final decision is that I don't uphold this complaint.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 20 May 2026.

Jeff Parrington  
**Ombudsman**