

complaint

Mr and Mrs C complain about delay and a lost mortgage application by Santander UK Plc.

our initial conclusions

Our adjudicator didn't recommend the complaint should be upheld. He found there had been no formal application until April 2014. The adjudicator noted one delay when Santander didn't call Mr and Mrs C back. He thought Santander's offer to pay £250 for this was fair. Mr and Mrs C didn't agree. Mrs C, who's conducted the complaint throughout, says that her initial mortgage application, submitted in March 2014 electronically, was lost. She wants to know where it went.

my final decision

To decide what's fair and reasonable in this complaint, I've considered everything that Mr and Mrs C and Santander have provided. I confirm I've read everything and listened to the call recordings. Mr and Mrs C had a mortgage with Santander and asked in January 2014 about porting to a new property. They were told to return when they had found a property and had got an offer on their own property. Mr and Mrs C contacted Santander on 19 March 2014 and provided basic details. They uploaded income documents but heard nothing until 31 March 2014 when Santander contacted them to check some information. Mrs C called Santander on 1 April 2014 and was told her application couldn't be found. Mrs C says the online tracker showed funds as being available for drawdown. Santander made an appointment for a full application to be completed but there were issues with Mrs C's credit file and an offer was not made. Mr and Mrs C decided to take a mortgage elsewhere and incurred an early repayment charge (ERC). I understand how frustrating this must have been for Mr and Mrs C – and they incurred the ERC which they want Santander to repay. But for the reasons set out overleaf, I'm not upholding the complaint. I'm not persuaded there was a formal application before April 2014. I think Santander made it clear that there'd need to be an interview as part of the application process. Santander's acknowledged there was delay in returning a call, for which it's offered £250. I'm satisfied this was fair in all the circumstances. **My decision is that I don't uphold this complaint. I simply leave it to Mr and Mrs C to decide if they want to accept Santander UK Plc's offer of £250 in full and final settlement of their complaint. I make no other order or award.**

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs C either to accept or reject my decision before 10 July 2015.

Jan O'Leary

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

Mr and Mrs C's application coincided with the Mortgage Market Review, which imposed stricter requirements on mortgage lenders to ensure mortgages are affordable and suitable. Mr and Mrs C were under the impression they'd started the application process in March 2014 but they hadn't. Santander told them at every stage that the application would be a formal interview with an adviser, which wasn't requested until 1 April 2014. Mrs C says the application was 'lost', but there was no application at that stage. Once Mr and Mrs C had provided information a telephone appointment couldn't be made for almost 4 weeks. But Santander arranged a branch-based interview within a week to assist Mr and Mrs C. Unfortunately there were issues with Mrs C's credit file, which meant Santander didn't issue an offer. Rather than try to resolve this with Santander, Mr and Mrs C chose to borrow elsewhere, incurring the ERC. In all the circumstances, I can see no basis upon which Santander should be required to reimburse this, or the broker fees they incurred with the mortgage to the new lender, to Mr and Mrs C.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.
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what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.