Ombudsman Decision
CIFO Reference Number: 26-000021
Complainant: Mr and Mrs V
Respondent: Skipton International Limited

Complaint

The complainants, who I'll refer to as Mr and Mrs V, are complaining about Skipton International Limited following its decision to decline their mortgage application based on a policy they believe is discriminatory.

Background

In late 2025, Mr and Mrs V made a mortgage application to Skipton that was declined. Skipton has said it takes many factors into account in assessing whether to lend but its explanation for this decision centred on Mrs V's dual nationality, which it said meant the application sat outside its risk appetite.

When Mr and Mrs V's broker questioned the decision it appears that it was reviewed and further questions were asked. One of the options also being considered was whether the application could proceed in Mr V's sole name but I understand this wasn't possible unless the property was purchased in his name only, which he and Mrs V weren't willing to do. Following further consideration, Skipton stuck to its original decision to decline the application.

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[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

Our adjudicator didn't recommend the complaint be upheld. She said Skipton is entitled to set its own lending criteria and that the policy not to lend to nationals from particular countries was a commercial decision it was entitled to make.

Mr and Mrs V didn't accept the adjudicator's assessment and made the following key points:

- It's accepted that banks are entitled to set their own commercial risk policies. But the central issue here is whether the manner in which its policies were applied in this case was fair and reasonable.

- Mrs V is a British citizen and has lived in the UK for more than twenty years. Her financial and professional life has been based in the UK and other Western jurisdictions. She's not subject to sanctions, isn't a politically exposed person, and no individual concerns about her activities were identified.

- There doesn't appear to have been an individualised assessment of risk. Instead, it seems a *"restricted countries"* policy was been applied in a way that resulted in the automatic exclusion of an applicant whose personal circumstances do not present the risks such policies are normally intended to address.

- Despite being told the decision was being reviewed at a senior level, which indicates some discretion could be applied, Skipton has never identified any factors other than Mrs V's nationality as the basis for declining the application. The only explanation that has been communicated is the bank's restricted countries policy and its treatment of dual nationals according to what it describes as their *"highest risk nationality"*. No individual risk indicators relating to her personal circumstances have ever been identified.

- It's important that I review the underlying evidence and reasoning relied upon by the bank, including whether any factors beyond Mrs

V’s nationality were in fact considered. Without identifying those factors, it’s difficult to understand how its decision was reached or how it can properly be assessed.

My Findings

I’ve carefully considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint. In considering what’s fair and reasonable, I’ve had regard to the relevant law and regulations; any regulator’s rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

In setting out my decision, I haven’t necessarily mentioned or addressed every point raised by the parties. Instead, I’ve concentrated on the key issues that I think are central to the outcome of the complaint. This is in keeping with our established purpose to act as an informal alternative to the courts.

Where necessary or appropriate, I’ve reached my conclusions on the balance of probabilities; that is, what I consider is most likely to have happened, in light of the available evidence and the wider surrounding circumstances.

Skipton explained in its response to Mr and Mrs V’s complaint that several factors are taken into account in deciding whether to accept a mortgage application. This is common industry practice. But what seems clear in this case is that Mrs V’s dual nationality was a key factor in the decision to decline this application.

The first point to make is that it’s ultimately for Skipton to make its own commercial judgement about the criteria on which it’s willing to lend. I note the strength of Mrs V’s feelings about what happened here, and that’s entirely understandable, but a decision not to lend to nationals of certain countries is one it’s entitled to make and doesn’t breach any of the rules under which it operates.

Skipton has a list of restricted countries and Mrs V is a national of one of them. I appreciate she also holds British citizenship but Skipton has explained that in such situations it takes the highest risk nationality into account. Again, I'm satisfied this is an approach it's entitled to take.

After the application was initially rejected, Skipton did consider the issue further and asked additional questions to clarify certain points. It appears it was considering whether the application could be progressed despite Mrs V's dual nationality but it ultimately decided it couldn't and restated her nationality as the reason for its decision. I appreciate Mrs V's desire to understand what other factors may have been taken into account but this isn't something that will affect my decision that Skipton was entitled to decline the application in line with its restricted countries policy.

I understand Mrs V made a subject access request to Skipton and I can see she has expressed concerns about the adequacy of the material disclosed. But as outlined by the adjudicator, any dissatisfaction on this issue would more appropriately be referred to The Office of the Data Protection Authority (ODPA) in Guernsey.

It's for these reasons that I'm not upholding this complaint. I appreciate this will come as a disappointment to Mr and Mrs V but I'm satisfied the outcome is fair and reasonable in the circumstances.

My Final Decision

My final decision is that I do not uphold this complaint.

Jim Biles
Ombudsman

Date: 20 May 2026