

The complaint

Mr C complains that Starling Bank Limited declined his application to open a new personal bank account.

What happened

Earlier this year, Mr C made some applications to open a business bank account with Starling Bank. Mr C also made an application to open a new personal bank account with Starling Bank. All Mr C's applications were declined.

Mr C went on to raise a complaint and Starling Bank issued a final response in relation to the business bank account applications and a Data Subject Access Request (DSAR) he'd tried to raise. No final response was issued in relation to the personal account Mr C attempted to open.

Mr C referred his complaints to this service. An investigator considered Mr C's complaint about the business account issues and DSAR he'd raised in a separate case.

The investigator also considered Mr C's complaint about the personal bank account application he'd made under this reference. They asked Starling Bank to supply a detailed explanation setting out why Mr C's personal account application was turned down. Ultimately, the investigator wasn't persuaded that Starling Bank had clearly explained why it declined Mr C's personal account application and asked it to pay him £100 for the distress and inconvenience caused. Starling Bank accepted.

Mr C asked to appeal and provided further details about his concerns regarding the business account applications he'd made. Mr C added that Starling Bank had no genuine reason to decline his personal account application. As Mr C asked to appeal, his complaint has been passed to me to make a decision.

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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I understand Mr C has referred a separate complaint about Starling Bank's decision to decline his business bank account applications. But in this decision, I'm only looking at Starling Bank's decision to decline Mr C's personal account application. I'm not going to comment on the business account complaints Mr C has made here.

Our investigator upheld Mr C's complaint as they felt Starling Bank had failed to clearly explain why the personal account application was declined. I can see that Starling Bank has provided some information surrounding its decision. That information is commercially sensitive so I can't share the specifics with Mr C here. But I'm satisfied that Starling Bank's decision to reject Mr C's application was in line with its criteria and haven't found any evidence that shows it made a mistake by doing so.

Starling Bank has agreed to pay Mr C £100 for providing conflicting information concerning the documents it used when considering his personal account application. And, as the investigator's already said, we can't force a business to open an account for a consumer. Overall, I'm satisfied Starling Bank's agreement to pay Mr C £100 in recognition of the distress and inconvenience caused is a fair and reasonable way to resolve his complaint. As I'm satisfied Starling Bank has already agreed a settlement that is fair and reasonable in all the circumstances, I'm going to proceed on that basis and uphold Mr C's complaint.

My final decision

My decision is that I uphold Mr C's complaint and direct Starling Bank Limited to settle by paying him £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 October 2024.

Marco Manente
Ombudsman