

The complaint

Mr S's complaint relates to how Starling Bank Limited dealt with the closure of a joint account. He also complains about how it dealt with complaints he'd made.

What happened

A summary of what happened is below.

In January 2021, Starling received a request from Mr S's ex-partner to close their joint account. At the time, he had a court case against him. So, he asked Starling not to close the account.

Starling told Mr S that if the parties couldn't resolve their dispute, the account would be closed on 24 June 2021, in line with its policy. Mr S didn't think this was right and asked it not to do that. His solicitors also wrote to the bank.

Mr S asked why Starling hadn't responded to his solicitors, despite them having his permission to deal with the matter. He also considered its responses contradictory, after a member of staff re-assured him, the account wouldn't be closed.

Starling said it hadn't been able to reply to Mr S's solicitor as they hadn't had contact from a verified email address. Mr S resent the letter and raised a complaint about this and its customer service.

Starling closed the complaint without issuing a response. It later re-opened it in June. A final response followed and in it, Starling explained it was correct the account would have to close in June, but understood different information about this had been given, which had understandably raised Mr S's expectations. It added, it had contacted Mr S's solicitor to deal with the complaint and closed it, when it didn't hear back from them. However, it acknowledged it should have still responded to Mr S. To say sorry, it paid £100 and said it would delay closing the account until 20 December 2021.

In error, the bank closed the account on 19 July instead. Mr S complained about this and asked Starling to cover legal costs he'd incurred. Starling accepted it had made a mistake with the early closure and asked for an invoice so that it could review the legal costs. Mr S provided a redacted copy, but Starling wanted a clear copy. Mr S said he'd arrange to get that.

In 2024, Mr S contacted Starling about another matter. During this, he mentioned his complaint from 2021 hadn't been properly resolved. He said he hadn't received compensation for the mistakes that had been made or payment towards the invoice.

A new case handler looked into this. They issued a fresh final response, acknowledging that the second complaint had been upheld but no compensation paid. To resolve things, Starling offered Mr S £259.36 towards his legal costs (after reviewing his invoice) and £300 for the distress and inconvenience caused. But Mr S didn't think this was enough, so he asked us to take a look.

One of our investigators said that whilst we couldn't look at Mr S's concerns about how Starling had handled his complaint, he considered the bank's offer was fair. Mr S disagreed and asked that his case be passed to an ombudsman.

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.

It's clear Mr S feels strongly about what happened. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to concentrate on the key issues. Having considered everything, I'm satisfied what Starling eventually did, was a fair way to resolve the complaint. I'll explain why.

- Starling accepts it gave Mr S wrong information when it told him that he could keep the account open and that this raised his expectations and caused upset. I agree that not all the communications about the joint account were helpful and streamlined as they should have been. However, having looked at the terms and conditions for the account, Starling was right in that it was entitled to close the account (where the dispute remained unresolved). And I can see that it told Mr S of the correct position early on.
- Starling did the right thing. It said sorry and paid £100 for the poor service. It also offered to delay the closure. I think that was fair in the circumstances. It's disappointing Starling then made a further mistake when it closed the account early. I can understand why Mr S would have been extremely upset and annoyed when this happened, especially given his experience. Though, the account was always due to close in 2021, which Mr S couldn't have stopped.
- I can see from an email sent to Mr S on 13 September 2021 that Starling accepted the error. Mr S says Starling then failed to follow through on what it would do about it. Our investigator took the view that he couldn't ask Starling to do anymore, because these points were to do with complaint handling (not an activity we have the power to consider under rules). But I don't share the view that what happened here is clear-cut complaint handling. However, I've still broadly got to the same place on the outcome. Because I don't think the poor service caused significant difficulties, as I can't see Mr S actively pursued the unpaid invoice either (not until later). I'll say more about this below.
- Once Starling looked at everything in 2024, it offered to reimburse Mr S for some of his legal costs. This was the reasonable thing to do, and I can see he was satisfied with that. The thing that he remained unhappy with, was the level of additional compensation. Mr S says this matter made him ill, taking up three years of his life. I've thought about what he's said but having considered matters, I think £300 is fair, along with the bank's apology.
- The notes show Mr S said he get a clear copy of his invoice to the bank for it to look at. I don't know if that was done, but whatever the case, I think he would have contacted Starling about it again (long before his complaint in 2024) if the matter was causing him significant problems. I do understand he had a lot happening in his life at the time. I'm also aware of the other details he's shared about his personal circumstances, and I've thought about all of this. But having weighed everything, I

don't think Starling's actions are linked to all of the impact Mr S has described or believe that the bank discriminated against him. I do accept it should have done better with its service, but I've addressed this and find the compensation fair.

My final decision

My final decision is Starling Bank Limited has made a fair offer to resolve this complaint. It should pay Mr S £300 and £259.36 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 26 December 2024.

Sarita Taylor
Ombudsman