

## **The complaint**

M, a limited company, complains that Starling Bank Limited have declined their account application. They believe this decision was based on the nature of their business, and was discriminatory.

M is represented by Miss H, a director.

## **What happened**

In January 2025 Miss H applied for an account for M with Starling. However the bank declined the application, but did not explain why.

Miss H believed that M met the criteria Starling published online for eligibility, so complained about this decision. Starling responded to say that M currently fell outside the scope of what they could support. They declined to offer any further reasoning to this.

Dissatisfied with this answer Miss H referred M's complaint to our service. One of our investigators looked into what happened, but didn't think Starling needed to do anything further. She reasoned that Starling were entitled to choose who they do business with, and she didn't think Starling had been unreasonable in declining the application.

Miss H disagreed, believing that the decision was discriminatory. The investigator didn't agree, so the complaint has now been passed to me to decide.

## **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.

Having done so, I've reached broadly the same conclusion as the investigator. Miss H has provided several points for me to consider – which I have taken on board and thought about, but I'm not going to respond to each point individually. What I will concentrate on is what I consider to be the key points, that lead me to a fair and reasonable outcome.

The key piece of legislation that deals with discrimination in the UK is the Equalities Act 2010 – but I think it's important to point out that the act itself says that only a court can decide whether or not the act has been breached. Our service is an informal alternative to the court system, so this won't be a finding I can make for her. But I've considered the broader principles in deciding what's fair and reasonable.

Starling, like all businesses in the UK, have a broad commercial discretion in who they provide accounts to and on what terms. There's no obligation on Starling to provide accounts to all businesses who apply for one. Starling also have to meet their legal and regulatory obligations when reviewing account applications from businesses. It would be exceptionally rare for our service to say that Starling should open an account when they've already made the decision not to.

In this case Starling haven't explained precisely why they declined M's application, and I'm satisfied that there is no obligation on them to explain why to Miss H. I appreciate why she would like to know more, but it isn't unreasonable that Starling have declined to provide a detailed explanation.

But Starling have provided more of an explanation to our service, including their account opening criteria. The rules of our service allow me to treat certain evidence as confidential – such as if it is commercially sensitive or involves information about third parties.

Here I'm persuaded it's appropriate for me to treat Starling's reasoning as confidential, as the information is largely Starling's own commercial information. So, I won't be detailing it here in full within this decision. But I'm satisfied that the decline was in line with Starling's internal processes, and with their wider legal and regulatory obligations. And while I won't be detailing the reasoning in full, I would confirm that I've seen nothing to suggest any of Miss H's personal characteristics played a part in this decision.

Nor have I seen that the decline was based on a misunderstanding of the nature of M's business, as Miss H has suggested. I'm satisfied that the decision was a reasonable one Starling were entitled to make. While I understand this will have been frustrating to Miss H, I can't see that Starling have done anything wrong by this. On that basis, I'm not asking them to do anything further.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask M to accept or reject my decision before 10 November 2025.

Thom Bennett  
**Ombudsman**