

The complaint

Mrs D complains Starling Bank Limited (“Starling”) declined her applications for a savings account, without an explanation of why she failed its eligibility criteria.

What happened

The details of this complaint are well known to both parties, so I will not repeat them again here. The facts are not in dispute so I will focus on giving the reasons for my 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.

Having done so, I agree with the conclusions reached by the Investigator for these reasons:

- As a regulated bank, Starling is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations. That sometimes means Starling may need to decline applications for new accounts as well as restricting, or even closing, an existing account
- Starling has provided some information regarding why it declined Mrs D’s savings account applications. I’ve carefully considered the information Starling has shared with our service in confidence and I’m not satisfied that Starling has provided enough evidence to show it acted in line with its obligations when declining Mrs D’s applications and saying she didn’t meet its eligibility criteria
- I recognise Mrs D is unhappy that she previously had a fixed savings account with Starling and after it matured, she says Starling sent her marketing emails, inviting her to apply for a savings account again, but subsequently wouldn’t tell her why the applications were declined. Starling offered Mrs D £35 compensation in its final response for continuing to send Mrs D marketing materials after her account application was declined
- I’m aware Mrs D feels strongly about being given a detailed explanation as to why Starling declined her applications, but Starling isn’t obligated to do so. We would, however, expect Starling to provide our service with a full explanation regarding its actions so we can ensure consumers have been treated fairly. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Starling has provided some information regarding its actions, and while not thorough, it is information I consider should be kept confidential
- I appreciate Mrs D might be concerned that her credit rating and accounts she holds with other financial businesses might be affected because her applications were declined by Starling. Having reviewed the available evidence, I haven’t seen anything to suggest this has happened here

- I consider Mrs D has experienced distress and inconvenience as she's explained she was invited to apply for an account with Starling, to then have her applications declined – which would've caused some upset. And Mrs D says she eventually applied for an account with a different provider
- As I don't find Starling acted fairly in declining Mrs D's applications based on the limited information its supplied and the impact this had on Mrs D, I think £150 compensation is a fair award for the distress and inconvenience caused

For these reasons, I uphold the complaint.

My final decision

For the reasons above, I have decided to uphold this complaint. Starling Bank Limited must now put things right by paying Mrs D £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 5 March 2026.

Khadijah Nakhuda
Ombudsman