

## **The complaint**

Mr S complains Starling Bank Limited (“Starling”) declined his application for an account despite providing one to his brothers. Mr S is concerned that Starling’s actions have left an adverse mark on his credit file. Mr S wants Starling to provide a detailed explanation.

## **What happened**

The details of this complaint are well known by both parties, so I won’t repeat them again here. Instead, I’ll focus on giving my reasons for my decision.

Mr S is represented by a family member, but I will refer to him in 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 have decided to uphold this complaint. I’ll explain why.

As a UK financial business, Starling is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations. Starling is also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Starling may need to decline applications for new accounts as well as restricting, or even closing, an existing account.

Mr S is aware that Starling is currently subject to come constraints that it’s obligated to follow. Starling point to these as its reasons for declining Mr S’ account application. Having carefully considered these obligations and constraints and having looked at Mr S’ individual application, I am satisfied Starling did not fairly interpret and apply these obligations. That means Mr S’ application was unfairly declined by Starling.

I know Mr S would like a more detailed explanation, but Starling is under no obligation to do so. 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. Some of the information Starling has provided is information I consider should be kept confidential.

Mr S has asked if he could reapply and get an account with Starling. Each application is generally considered on its merits. I do note that Mr S now has an account with another bank so I would question why he would approach Starling for an account. So, I make no direction for Starling to open an account for Mr S.

Starling have confirmed that there is no adverse marker against Mr S – just a ‘soft’ search when he made the application which will cause no detriment to him. Mr S was able to get another account, but I accept being declined for your first ever bank account would cause some distress and inconvenience. Having weighed this up carefully, I am satisfied £100 is fair compensation.

### **My final decision**

For the reasons above, I have decided to uphold this complaint. Starling Bank Limited must now pay Mr S £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 February 2026.

Ketan Nagla  
**Ombudsman**