

The complaint

Mr S complains that Starling Bank Limited declined his application for a business bank account.

What happened

Mr S is a sole trader. In August 2025, he applied for a sole trader account with Starling Bank. But Starling declined the application. Mr S wants to know why. He complained to Starling and referred the complaint to us.

An investigator looked at the complaint and didn't think Starling had done anything wrong. Mr S doesn't agree. The complaint has been referred 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.

I don't uphold the complaint. I'll explain why.

Starling is not required to offer accounts to everyone who applies for one. Its commercial discretion allows it to choose who to have as a customer. In Mr S's case, Starling has said it declined his application following an internal review. It says that following its review it was unable to offer Mr S an account – and that this was based on its review and was not a reflection on Mr S or his business. With this in mind, the main question I need to decide is whether Starling correctly applied its internal policies when it declined Mr S's account – and if this was fair.

Starling has provided details of its internal policies – but asks we not share this with Mr S. Our rules allow us to accept information in confidence. I accept that Starling's internal policies are sensitive and cannot be shared with Mr S.

Based on what I've seen, I'm satisfied Starling was acting in line with its internal policies when it declined Mr S's application. I appreciate Mr S would like to know more. But Starling has explained it cannot offer him this account at this time, and it wouldn't be appropriate for me to tell Starling to tell Mr S more than it has already. I'm satisfied Starling didn't have to offer Mr S an account and that this was fair.

I've considered Mr S's further comments. He wants to know if and when he can reapply for the account, and whether the rejection was based on incorrect information held by third parties. He also asks if Starling's communications fell below fair standards. But while I appreciate Mr S is disappointed that Starling declined his application, this doesn't change my conclusions. Starling has already reviewed its decision and told Mr S it still won't offer him this account. Starling has explained that it declined the application as a matter of internal policy and that this doesn't reflect on Mr S or his business. Starling was clear in its communications that it wasn't able to offer Mr S an account.

Mr S also notes that he's a long-standing personal customer of Starling. But a personal account is different to a business account, and so it doesn't follow that just because Starling offers him one account that it must necessarily offer him the other.

I recognise that Mr S found not having a business account inconvenient. But as I've concluded that Starling were entitled to refuse his application, this doesn't mean something went wrong here. In any case, once Mr S knew Starling wasn't going to offer him a business account, it was open to him to apply for an account elsewhere.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 24 February 2026.

Rebecca Hardman
Ombudsman