

## **The complaint**

Miss B complains that Starling Bank Limited declined her application to upgrade her account.

### **What happened**

The details of this complaint are well known by both parties, so I won't repeat them again here in detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

Miss B held an account with Starling. Following Miss B's birthday, Starling wrote to her to let her know that account was no longer suitable due to her age and that she'd have to reapply for an upgraded account. Miss B applied for the new account, but her application was rejected.

### **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 the following reasons:

- 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 information about other customers, security information or commercially sensitive information. Some of the information Starling has provided is information that we considered should be kept confidential.
- Starling has a wide range of legal and regulatory obligations they must meet when providing account services to their customers. These obligations are ongoing and therefore apply to existing and new customers; and don't just apply at account opening stage.
- Starling is entitled to decide who they do business with, just as Miss B can decide who she wants to bank with. But it should be noted, that if a financial institution chooses to decline an account application, they should do so for reasons which are in line with their legal and regulatory obligations, legitimate, fair and non-discriminatory.
- I've considered Starling's reasons for rejecting Miss B's account, and I don't consider their reasons are in line with their legal and regulatory obligations. I note Miss B says Starling declined her account due to information about her address not being updated by another financial business. Starling's reasons have more to do with its broader financial obligations, the constraints placed on it, and its interpretation of this. So Miss B should be assured it isn't because this address mismatch issue.
- I agree Miss B was caused some inconvenience due to Starling declining her account application. She had to open an account with another financial institution, and her father had to support this application. I'm also aware Starling provided poor customer service when Miss B's father complained to them on her behalf. While I recognise the overall impact, I can only consider the distress and inconvenience

caused to Miss B as part of this complaint.

### **Putting things right**

Having carefully considered the circumstances of what's happened, I'm satisfied £125 is fair compensation and recognises the distress and inconvenience caused to Miss B

### **My final decision**

For the reasons above, I have decided to uphold this complaint. To put things right, Starling Bank Limited should pay Miss B £125 compensation to recognise the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 23 February 2026.

Hayley West  
**Ombudsman**