

The complaint

Mr C complains that Starling Bank Limited rejected a cheque made out in his middle name and surname.

What happened

Mr C has explained that he's known by his middle name in everyday life. In December 2023 Mr C paid a cheque made out in his middle and surname into his bank account with Starling Bank. But Starling Bank went on to send Mr C a notification that said the cheque payment had been rejected as the name it was made out to and account details didn't match.

Mr C complained to Starling Bank and pointed out the cheque included his middle name which formed part of his legal name. Starling Bank issued a response to Mr C's complaint and said he'd given his full legal name when opening the account. Starling Bank explained that the name on the cheque needed to reflect the name on Mr C's current account, including his first name. Starling Bank also said the name on the account must match the identification provided by a customer.

Starling Bank added that the Confirmation of Payee process used within the banking industry relied on using a payee's first and last names to carry out checks. Starling Bank confirmed it cannot amend the name on Mr C's account to show his middle name as the first name without it being changed via deed poll. Starling Bank said it should've advised that it could note Mr C's preferred name was his middle name, apologised and paid him £40 for the distress and inconvenience caused.

An investigator at this service looked at Mr C's complaint. They weren't persuaded Starling Bank had made a mistake of treated Mr C unfairly and didn't ask it to take any further action. Mr C asked to appeal and said Starling Bank's approach failed to follow UK legislation. Mr C said the requirement for him to change his name via deed poll to allow cheques and account instructions using his middle name was unreasonable. As Mr C asked to appeal, his complaint has been passed to me to make a 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.

I'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

In response to the investigator, Mr C said the way Starling Bank processes checks and its refusal to do so using his middle name goes against UK law. I recently asked Mr C to show

me the specific legislation he's relying on in reaching that conclusion. Mr C's responded providing a link to the Deed Poll Office's website. The webpage provides background information in relation to *change of name law*. Mr C has cited a historic legal treatise in his response. But whilst that is relevant to how legislation on this issue has been formed over time, Mr C didn't respond with any specific legislation.

I should add that the Financial Ombudsman Service is an informal dispute resolution service and decides complaints on a fair and reasonable basis. That means we will pay due regard to the relevant laws and regulations a business operates under. But the overall outcome of a complaint will come down to the specific circumstances and what is considered fair and reasonable. I want to assure I've taken everything both parties have said into account when reaching my decision concerning whether Starling Bank treated Mr C fairly.

Mr C's explained he goes by his middle name in everyday life. As a result, when Mr C was given a cheque last year made out in his middle and surname, he wasn't aware it would be an issue for Starling Bank. I can understand why Mr C is frustrated at what appears to be a reasonably straight forward matter to resolve. But I think Starling Bank has made several points that are important to Mr C's case.

Starling Bank has explained that it holds Mr C's full name on his profile, including his middle name. But Starling Bank says that for a cheque to be accepted and processed it must include the customer's first name and surname – in line with the way the account is recorded with it. Starling Bank says it cannot assume if a middle name is being used for the payee on a cheque. That's in part due to cheques being processed via imaging software where the name of the payee is matched to the account requiring payment.

Starling Bank has also confirmed that it will reject all cheques where the name differs to the identification provided when setting up an account. There's no option to operate the account using a middle name and surname. I'm satisfied that Starling Bank has followed this approach in dealing with Mr C's cheque.

Starling Bank has confirmed that the only way it would be able to accept cheques made out in Mr C's middle name and surname would be if his details were changed via deep poll and updated identification provided. I appreciate why Mr C may not wish to take that step. But I'm satisfied Starling Bank was attempting to give him an alternative that would make his banking arrangements with it work in the way he wants.

Starling Bank's provided details of the way it needs cheques to be made out in its responses to Mr C and explained why it needs them to be completed using his first name and surname. Whilst I understand that my decision is likely to disappoint Mr C, I haven't been persuaded that Starling Bank's approach is unfair.

I can see that Starling Bank paid Mr C £40 for the service provided and failing to advise it could note his preferred name on its systems. Whilst that doesn't impact how Starling Bank processes cheques, given the context of Mr C's complaint, I agree it should've provided that information at the outset. I'm satisfied £40 fairly recognises the level of distress and inconvenience caused, so I'm not telling Starling Bank to increase the award.

I'm sorry to disappoint Mr C but as I'm satisfied Starling Bank hasn't made a mistake or treated him unfairly I'm not telling it to do anything else.

My final decision

My decision is that I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 17 April 2024.

Marco Manente
Ombudsman