

The complaint

O, a limited company, complains that Cater Allen Limited declined its application for an account.

What happened

A director of O explains that he was a personal customer of Cater Allen. And was directed to its website by a member of staff to apply for an account for O. He is unhappy that the application was declined and says that O has been discriminated against and that Cater Allen were breaching competition law.

Cater Allen stated that O hadn't met its criteria for an account. It referred to its website and that this stated that:

'you can apply if you're: introduced to us by a professional adviser who is registered with Cater Allen or you're applying for an additional account with us, in the same name.'

Our investigator didn't recommend that the complaint be upheld. There was information to support that Cater Allen was applying these criteria at the date of the application. O didn't have an existing account in any event and the account in the director's name didn't qualify. Time had been spent for O in completing the form involved but there was no guarantee that any application would be successful. The criteria applied to all applicants and so she didn't think that these were discriminatory. She said that it wasn't our role to regulate financial businesses and decide on bank processes. And she said that O might otherwise want to raise this with the Financial Conduct Authority (FCA) or Competition and Markets Authority (CMA).

O didn't agree and wanted its complaint to be reviewed. It maintained that Cater Allen was acting in an anti-competitive way and that an introducer would want a fee. O said that we had concurrent powers with the FCA and that it wouldn't take on individual cases. And it said that the CMA had verbally stated that there may be a case to answer. O said that this has been a 'secret policy' and that not all staff seemed to have been aware of it. O added that it wasn't clear that the website forms had now been updated but it hadn't wanted to spend further time on following this up as it no longer wanted an account with Cater Allen.

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.

Our investigator has referred to our role and we provide informal dispute resolution, and we aren't a court or the regulator.

I can see here that the application form completed by O was dated 17 November 2023. This had a section for it to confirm whether or not it had been introduced to Cater Allen by a professional advisor. And O said that it hadn't. Although a director of O explains he had a long-standing personal account with Cater Allen, that wasn't in the name of O. So, O didn't

meet either of the criteria referred to above for an account application.

I haven't seen a screen shot of the website from the time that O applied but I have seen information to show that the criteria were being applied to all applicants at the time of O's application. And Cater Allen's position is that the information was shown on the website then too. I don't have a recording of any call the director had about the application and what he was told. But I don't find that Cater Allen made a mistake in processing the application. And I agree with our investigator that any application would take time with no guarantee of acceptance.

I'm only looking at the circumstances of O's complaint here and not what might happen say in future with other applications. I'm not persuaded that Cater Allen acted unfairly or unreasonably in declining O's application as it applied its commercial discretion and in line with the criteria it had established. I appreciate that the director has strong feelings about this, but I'm afraid I won't be requiring Cater Allen to do anything more.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask O to accept or reject my decision before 25 October 2024.

Michael Crewe
Ombudsman