

BEST LENDING INITIATIVE

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Starling Bank

“The uniqueness of this winning entry was less about unique technology and innovation itself and more about operational excellence.”

Following the outbreak of the coronavirus, Starling Bank became one of few digital banks that applied to the British Business Bank (BBB) to become a lender. Some of the BBB’s accredited lenders bowed out of the scheme, seeing the government-backed loan schemes as a double-edged sword.

But Starling stepped forward, knowing that it must do everything it could to support its customers and especially small businesses, the backbone of the British economy.



The Project Explained

Starling Bank applied for and received accreditation from the BBB as both a Coronavirus Business Interruption Loan Scheme (CBILS) lender and as a Bounce Back Loan Scheme (BBLs) lender within week. It built its lending infrastructure within a very tight timetable and opened applications for BBLs loans just days after being accredited.

On the first day of BBLs applications from business customers, Starling delivered £50 million worth of lending. Before the end of its second day of lending, it had paid out more than £185 million in BBLs loans and accepted applications for a further £33 million worth of lending. Starling has gone above and beyond what would have been expected of a digital bank run by 1000 employees, always striving to support customers in need.

What Made This Initiative Unique

The key to Starling’s approach was to build its lending platform quickly and to design a simple and slick user interface, one that customers could easily understand and that enabled the bank to approve loans without unnecessary delay. At the core of this was its set of customer communications, via email, social media, and messaging on the own company’s website, that were clear, concise and jargon free.

The efficiency of the loans, from application to deposit, is the result of tireless work from Starling’s in-house engineering, lending and customer service teams. The marketing team has also been key in providing clear and effective communication around CBILS and BBLs.

Throughout this crisis, Starling has shown up for its customers. Within weeks of the lockdown, it launched new features such as the digital cheque deposits and an additional debit card known as a connected card for people in self-isolation who need help with household shops. With BBLs and CBILS, it freed up cash for the small businesses when they needed it most. They have also been processing top ups, in line with the new government regulations.

What’s Expected for the Future

Starling always strives to be fair and transparent and these loans are no different. In an open letter posted to the Starling website, CEO and founder Anne Boden wrote:

“We’re very aware that expectations of us are high. People expect us to be good at this because, as a purely digital bank, we have a reputation for building and launching products quickly. But this is different. Making a product available to almost the entire customer base on the day of launch is not what we normally do. We’re more accustomed to starting small, launching new products and services in beta and then listening to customer feedback before building out something bigger. The urgency of the current situation means that we have to launch at scale practically from a standing start. So we want to be fully upfront about this: we may need to make adjustments as we go. We hope our customers and the wider community will understand this.”

More about the company:

Official website: starlingbank.com

media@starlingbank.com

[linkedin.com/company/starlingbank](https://www.linkedin.com/company/starlingbank)

twitter.com/starlingbank

“Lending couldn’t be more topical in this current environment...fintech has a role to really get these products right in this area.”

Ray Brash, CEO of PrePay

Congratulations to the other finalists

