

## **The complaint**

Ms P and Mr T complain that Starling Bank Limited closed their account without providing them notice of closure.

## **What happened**

Ms P and Mr T had a personal joint bank account which they were actively using with Starling. On 28 January 2022, they said Starling closed their account without any notification, even though Starling claimed to send them emails and in-application (app) messages. Ms P and Mr T made a complaint to Starling.

Starling did not uphold Ms P and Mr T's complaint. They said they had sent communication to their Starling app on 1 November 2021 and another one on 15 November 2021 notifying them of Starling's intention to close the account on 14 January 2022. They said there had been other messages sent since then regarding this. Starling said that under the terms and conditions of the account, they can withdraw banking facilities by giving them notice in writing, and in line with company policy. Ms P and Mr T brought their complaint to our service.

Our investigator did not uphold Ms P's and Mr T's complaint. He said the evidence showed Starling sent them in-app messages in November 2021 and then in January 2022 informing them of the closure. He said the terms and conditions stated that Starling can close an account with two months written notice. And Starling gave them notice of closure on 15 November 2021 as they believed Ms P and Mr T were using the account for business purposes.

Ms P and Mr T asked for an Ombudsman to review their complaint. They made a number of points. In summary, they said they never received the in-app messages that Starling sent them, they said Starling originally told them that they sent them an email about the closure and an in-app message, and now they just say it was an in-app message, but they have provided no evidence that the message was delivered.

When I started my investigation into the complaint, Starling told me that due to Ms P and Mr T not setting up an email address on their personal joint account, they only sent messages via in-app notification. Starling said as they could have identified that they only had one form of communication set up on their account, they could have done more to reach out to them. So they offered them £150 compensation for distress and inconvenience. Ms P and Mr T rejected this offer. They said they also requested a reinstatement of the account for a few days, which Starling rejected, which caused them a lot of inconvenience and delayed payments.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint."*

*Ms P and Mr T have made a number of points to this service and I've considered and read everything they've said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of their complaint in deciding what's fair and reasonable here.*

*I've considered the screenshots that Ms P and Mr T have provided us. It appears that the screenshots of the emails Ms P and Mr T have sent us are not emails from the personal joint account. I say this because Starling have sent me a list of the 14 in-app notifications they have sent Ms P and Mr T between 1 November 2021 – 2 November 2021 and I've cross referenced them with the screenshot Ms P and Mr T sent me. None of the in-app notifications show on the emails. This would support what Starling have said that there was no email set up on the personal joint account. So it would appear that the emails they received from Starling were for their sole accounts.*

*It appears the only time Ms P and Mr T were aware the personal joint account had been closed is when they logged into the app on 28 January 2022 and saw the account was not there and then raised the complaint. As they raised the complaint, it's then likely the email addresses were linked and that's why they received a closing statement later that day with an email letting them know this.*

*Starling have proved that they sent the in-app message on 1 November 2021 at 17:57:13. I've noted the strength of feeling that Ms P and Mr T did not receive this message. And I don't doubt what they've told us about not receiving the message. But as none of the notifications were showing in the app screenshot they sent me, this would suggest that the app settings had been changed which would prevent them from receiving in-app notifications.*

*I say this because the screenshot Ms P and Mr T sent us of their Starling inbox for the personal joint account shows recent contact they have made with Starling and any document changes such as changes to the terms and conditions, which are displayed differently to in-app notifications. And Starling have confirmed to me that the in-app messages can't be deleted. So I can't hold Starling responsible for the delivery of an in-app notification, when they have proven to have sent the notification, as the delivery of a notification may be out of their control such as the app settings or a customer's phone settings. There is no requirement for Starling to track delivery of their in-app notifications they send to their customers.*

*I've considered what Ms P and Mr T have said about Starling not reinstating the account for a few days, which caused them a lot of inconvenience and delayed payments. But I would not expect Starling to re-open the account once it had been closed, when they had given the required notice, so I can't say they did anything wrong by not reinstating the account, even for a few days.*

*But I do think Starling have let Ms P and Mr T down on occasions. I say this as Ms P and Mr T say they were told by Starling that Starling had notified them of the closure by email, but as Starling have stated there was no email address registered for the personal joint account, then this wouldn't have been possible for them to be notified this way. So this would have been frustrating for them to hear this, when Starling later said it was just the in-app notifications they had sent them about the closure.*

*Starling have admitted that they could have done more to reach out to them when there was no email address registered on the joint account. As Starling have admitted they could have done more to reach out to them, I'm satisfied that had they done so, then Ms P and Mr T could have closed the personal joint account down in plenty of time, which could have*

*prevented the impact that this had on them as opposed to seeing on 28 January that the joint account was missing from the app.*

*So I've considered what compensation would be fair and reasonable in the circumstances of this complaint. I know Ms P and Mr T rejected the £150 offer from Starling due to the distress and inconvenience that the closure of the account had on them, but I'm satisfied that this amount of compensation is fair. It may help if I explain to Ms P and Mr T that compensation is a discretionary remedy that we sometimes award if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event. When we recommend compensation, it is often modest and within our established guidelines.*

*As Ms P and Mr T would have needed to have opened a new joint account and changed the payments, the difference here would be the speed by which they needed to do so. I can't hold Starling responsible for how long a third party account takes to be opened. Ms P and Mr T have told us that some of their payments were 2-4 weeks late, which would have been distressing. And this could have been avoided if Starling had reached out to them earlier in the process, so I'm persuaded that £150 compensation would reflect the impact this had on them and the incorrect information about them being told they were sent an email about the notice of closure of their joint account. So it follows, I intend to ask Starling to put things right for Ms P and Mr T."*

I invited both parties to let me have any further submissions before I reached a final decision. Starling accepted my provisional decision. Ms P and Mr T did not respond to my provisional 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.

As neither party have provided me with any further information to consider, then my decision and reasoning remains the same as in my provisional decision.

### **Putting things right**

In my provisional decision I said I intend to uphold this complaint in part. I said I intend to ask Starling Bank Limited to pay Ms P and Mr T £150 compensation for distress and inconvenience. I'm still satisfied this is a fair outcome for the reasons given previously.

### **My final decision**

I uphold this complaint in part. Starling Bank Limited should pay Ms P and Mr T £150 compensation for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P and Mr T to accept or reject my decision before 17 March 2023.

Gregory Sloanes  
**Ombudsman**