

## **The complaint**

Miss W has complained Starling Bank Limited did nothing to support her when she disputed six transactions.

## **What happened**

After authorising different overseas transactions where Miss W felt she was loading cash to gambling sites, Miss W complained to Starling. Starling believed there was no dispute but accepted they'd provided misleading advice to her. They paid her £40 in compensation.

Miss W brought her complaint to the ombudsman service.

Our investigator believed that it was clear these transactions were authorised as Miss W had stated in her webchat with Starling. However, it was clear from the correspondence Miss W had shared with Starling that she'd not received any help. Starling had never completed any chargeback. There was scope within the international card scheme rules for these to have been successful, so we asked Starling to refund Miss W. This whole issue had caused her considerable distress, so our investigator also asked them to pay her a further £100.

Starling didn't agree with this outcome. Miss W's complaint has been referred to an ombudsman for 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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Miss W's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

To help me come to a decision, I've reviewed the evidence Starling provided as well as what Miss W has told us. This includes the conversation between Miss W and Starling as soon as she contacted them in February 2024.

Starling has argued that Miss W disputed authorisation of these transactions. As they believed these had been properly authorised, they wouldn't uphold her complaint. However, it's clear from the webchat which Miss W entered into immediately after making these transactions that she never disputed authorisation. She believed she was authorising in-app transactions that she wished to make. Different merchant names were presented during this process.

This means that these transactions don't fall under the PSRs as they were authorised. However, there are other steps Starling could have taken. Their advice to Miss W was about providing further proof that the services weren't received. Miss W provided this. It's clear from this testimony that Miss W received no service or credit.

Therefore Starling would have been able to initiate chargebacks using the international card scheme rules governing these. They didn't do this and I believe – based on the lack of service received by Miss W – there's every chance these chargeback requests would have been successful.

### **Putting things right**

As I believe these chargebacks would have been successful if Starling had taken steps to support Miss W, they will now have to refund her for these six disputed transactions. These amount to £263.93. They will also need to add 8% simple interest from the dates of the disputed transactions until the date of settlement.

Starling seems to believe that it was up to Miss W to manage her own dispute. I strenuously disagree with them. She provided them with sufficient evidence for them to take the steps I would have expected. They didn't provide her with support so I'm asking them to pay her an additional £100 for the trouble caused.

I appreciate Starling has since closed Miss W's account and have been concerned at the number of fraudulent claims she has pursued. I've taken that into account.

### **My final decision**

For the reasons given, my final decision is to instruct Starling Bank Limited to:

- Refund £263.93 to Miss W;
- Add 8% simple interest a year from the date of the transactions to the date of settlement; and
- Pay Miss W £100 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 7 April 2025.

Sandra Quinn  
**Ombudsman**