

The complaint

Mr N says Starling Bank Limited (“Starling”) refuses to refund him for transactions on his account he says he didn’t authorise.

What happened

The facts of this case are well known to both parties, so I won’t repeat them in detail here.

In summary, Mr N has disputed 19 transactions from his account carried out online between 2 and 4 November 2024. He says he thinks his details have been compromised via online gaming or retail sites. He would like Starling to refund these payments.

Starling says the evidence from the transactions show they were completed on his known device and from the same IP address as other genuine transactions. It also says they were all approved in the Starling app before being processed. So, it thinks Mr N made these transactions himself.

Our investigator considered this complaint and decided to uphold it. Mr N didn’t agree so the complaint has been passed to me for a final 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.

Generally speaking, Starling is required to refund any unauthorised payments made from Mr N’s account. Those rules are set out in the Payment Service Regulations 2017. Mr N has said he didn’t carry out the transactions in dispute. So, I have to give my view on whether I think Mr N authorised the transactions or not.

Mr N told us he didn’t authorise these transactions on his account, and he was unwell at this time, completely unable to use his phone. In fact, he says his phone was turned off during the dates the transactions in dispute were made. However, I’ve seen from his initial chat with Starling that he informed it he was responsible for the first few transactions made on 2 November to a gambling website. He complained that he had made money gambling on this site but then the site crashed, and the money disappeared. The inconsistencies between his complaint to us and his original complaint to Starling makes it difficult for me to rely on Mr N’s testimony.

Starling has provided evidence to show the transactions in dispute were all carried out using Mr N’s device, the only device registered to his account and the same device he had been using for genuine online activity. It has also shown the IP address for these transactions matches the IP address Mr N used just prior to this to make his rent payment. This means that whoever made these transactions did so from Mr N’s device from one of his usual locations. And as Mr N says no one else has had access to his device, it seems more likely Mr N carried out these transactions himself.

I've also seen evidence that all the transactions in dispute were verified via Mr N's Starling app and the process this involves. This shows that for each of the transactions a notification was sent to Mr N's device which directed the user to log into the Starling app to verify the payments. This verification was successfully completed for all the transactions in dispute. This means whoever made these transactions also had access to Mr N's Starling app. And it is against the terms and conditions of Mr N's account agreement to share such security information.

Mr N says he thinks his details were compromised via a gaming or shopping site. And these were used to make the payments in dispute. Mr N says unless there is video evidence of him making these transactions it wouldn't be fair to hold him responsible. But as I've outlined above, the evidence shows the transactions were made from Mr N's device, from the same location that Mr N is regularly based. And in the absence of stronger evidence to the contrary, I think it's likely Mr N made these transactions himself. So, I won't be asking Starling to refund any of them to him.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 21 March 2025.

Sienna Mahboobani
Ombudsman