

The complaint

Miss B complains that Starling Bank Limited didn't do enough to prevent her falling victim to a safe account scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here. In January 2024 Miss B was the victim of a safe account scam. She says she was busy preparing to travel overseas when she received a message asking for a small payment to reschedule a delivery that she'd been expecting. She was contacted on the phone by who she believed was Starling's fraud team. They told her that her accounts had a virus on them and that she needed to move money to different 'safe place' accounts before it could be transferred back to a 'clean' account.

Miss B sent the below payments from her Starling account to another account of hers that was held with 'R'. From the account with R, she sent payments that went to accounts controlled by scammers.

Date	Time	Transaction	Amount
15 January 2024	7.02pm	Payment to R	£20,000
15 January 2024	7.05pm	Payment to R	£20,000

A few hours later, Miss B reported to Starling that her payments had been made as a result of a scam. Starling investigated but declined to provide any redress. Miss B complained as she didn't think Starling did enough to protect her. Starling maintained their position and the matter was referred to our service.

One of our Investigators considered the complaint but didn't recommend that it should be upheld. He didn't think any reasonable level of intervention from Starling would've made a difference to Miss B's losses. Miss B disagreed and asked for an Ombudsman to review her complaint. In June 2025 I issued a provisional decision in which I said:

"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 and for similar reasons. But as I'm providing a greater level of detail, I'm issuing this provisional decision to give both sides a further opportunity to comment before my decision is finalised.

I'm aware of Miss B's linked complaints about other regulated firms involved in the circumstances of the same scam. But this decision can only refer to Starlings actions in relation to her personal account with them.

Our service is intended as an informal alternative to the courts. And my role is to determine a complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case. And in reaching my decision I am 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.

Miss B has made some detailed submissions in support of her complaint. I've read and considered all she's sent in but I don't intend to respond in similar detail. So if I don't mention any particular point or piece of evidence, it isn't because I haven't seen or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is just a reflection of the informal nature of our service.

I accept that Miss B has been the victim of a cruel and callous scam. And I've no doubt as to the significant impact this must have had on her. But despite my natural sympathy, my role requires that I remain impartial. In the circumstances of this complaint there is no automatic right to a refund for Miss B from Starling. And it would only be fair and reasonable for me to direct them to do more, if they'd failed in such a way that it can fairly be said that they've caused the loss. And for the reasons I'll come to, I don't think it can.

Whilst I understand that Miss B didn't want her money to end up with scammers, I'm satisfied (from her own testimony) that she followed the processes to instruct the payments from her Starling account. So these were 'authorised' payments in line with the relevant regulations (The Payment Services Regulations 2017, PSRs).

But just because Miss B instructed these payments, that isn't the end of the story. It's right to say that Starling should do what they can to prevent fraud and scams and to protect their customers from financial harm. With that in mind, I agree that the initial payment of £20,000 presented a heightened risk. Having reviewed the previous account activity, in the prior 12 months it wasn't common for Miss B to have made payments of that value. So whilst the account maintained a significant balance of around £50,000, an uncharacteristic large payment can present a risk. Starling likely would've known through 'confirmation of payee' (CoP) that Miss B was paying an account in her own name. But by January 2024 a bank like Starling also would've been aware of the prevalence of multi-stage scams where money is moved through accounts that the victim controls, before being lost to scammers. So I still think some intervention before processing Miss B's payment instruction was appropriate.

I don't think this is something Starling would disagree with. The evidence supports that their system did flag a payment for a review. Before processing the payment Starling asked the following questions and received the below responses in their app.

Starling: "Be wary of anyone guiding you through these questions. Is someone telling you how to send this payment, which buttons to tap, or asking you to read this screen? If so, you're talking to a scammer – cancel this payment and call us. Starling will never ask you to move money to keep it safe. If you send money to a criminal, you could lose it all."

Miss B: "I understand."

Starling: "What is this payment for? So we can check your payment as quickly as possible, please choose the closest option."

Miss B: "Transfer for my account elsewhere."

Starling: "Where are you transferring money to?"

Miss B: "Another current account."

Starling: "Have you been told you need to make this payment unexpectedly or urgently?"

Miss B: “No”

Starling: “Have you ever accessed the account you’re paying into before – for example by logging into the account online, or withdrawing money from it?”

Miss B: “Yes”

Starling: “When was the account opened?”

Miss B: “More than a month ago.”

Starling: “Take a moment to think A bank or any other organisation will never tell you to move money to a new, ‘safe’ bank account. Fraudsters can make phone calls appear to come from a different number. If you transfer money to a fraudster, you might not get it back. If you’re not sure the payment is genuine, stop and call us on 159. By tapping ‘Make Payment’, you agree that you understand this warning and would like to continue with this payment.

Miss B: “Make Payment.”

Miss B’s own submissions to our service included that throughout the scam she was under debilitating pressure, fearful of her accounts being compromised and wanting to get her money into a ‘safe place’ as soon as possible. She also describes feeling like she was metaphorically ‘held at gun point’, and in total panic which negated her capacity to act and think clearly. She’s described how she was on the phone to the scammer throughout and that on occasion they ‘made’ her answer as she did.

Given the sum involved and how unusual the payment was for Miss B’s account. I’d have expected Starling to have gone further than they did. I think a proportionate response would’ve been for there to have been some sort of human intervention, either through an in-app chat or on the phone. The question then to be considered is whether this human intervention would’ve made a difference to Miss B, that is, would it have uncovered the scam and stopped her payments.

As I can’t know for certain how this would’ve played out, I have to make my decision on the balance of probability taking account of the available evidence. Here, the initial evidence from the questions asked and warnings given in app, support that Miss B wouldn’t have been receptive to a warning or have answered in a way that would’ve caused Starling to be more concerned. Starling specifically mentioned that being guided as to how to answer, moving money to keep it ‘safe’, and the payment being ‘urgent or unexpected’ could all indicate a scam. That being said, I do accept that scammers are skilled in creating a sense of panic and urgency in their victims.

There is further relevant evidence in the interactions that took place between Miss B and R later in the same scam. The context of this was that Miss B was in the process of sending the money out of R to the scammers and R intervened in some of those payments. This included taking it as far as there being a human intervention which forced Miss B into a chat with one of their agents. As a part of the overall interactions, R highlighted the following:

- The importance of answering questions truthfully and that only a scammer would ask her to hide the real reason for a payment.
- Scammers will convince people the transfer is urgent and ask you to act quickly, stop and take a moment to think.
- They asked Miss B the purpose of her payment and she (at the guidance of the scammer) said it was being made towards a wedding.

- They asked Miss B to confirm she wasn't being guided and that she wasn't being pressured to make the payment urgently and Miss B confirmed that she wasn't and that there was no urgency.

Miss B says that had a phone call taken place it would've given her time and space away from the scammer and would've allowed her to 'regain her senses'.

So on one hand I've got Miss B's assertion that a phone call would've been the determining factor in getting her away from the immediate pressure from the scammer, enabling her to realise it was a scam. Miss B says she reported the scam soon after the scammer ended the call. She says this supports the argument that once off the call she could see things more clearly. I don't question Miss B's integrity, but in hindsight, naturally, she is likely to think it would've made a difference.

And on the other hand, I've got the evidence of what 'did' actually happen when there was a human intervention from R (albeit in the form of an online chat). And for the reasons I'll come to, I've decided to place more weight on what did happen, set against what Miss B says would've happened.

I accept that this is a finely balanced point. And I do understand the argument Miss B is presenting. I also accept that a phone call with a bank can make it more difficult for a scammer to exert influence over someone, compared to text-based interventions. But I still think R forcing Miss B into a chat with an agent, and her being encouraged to take time and think before proceeding, to an extent, would've also created a natural pause in proceedings. It went beyond warnings that Miss B could click through, she had to type in her answers to respond. And in this situation, it wasn't impactful in preventing further payments.

I'm not persuaded that Miss B didn't read the messages / warnings from both R and Starling. I think it's most likely she must have done so the scammer could then have directed her how to respond. And many of these warnings / statements were explicit about being guided, directed, reading out the messages and moving money to keep it 'safe'.

The evidence also shows that Miss B was prepared to provide misleading answers at the direction of the scammer to enable her payments to proceed. Specifically, when she told R that the payment was linked to a wedding. So had Starling insisted on a phone conversation prior to processing any payment, I think it's most likely Miss B would've been briefed by the scammer as to what to say during that call. And whilst I appreciate the scammer couldn't have remained on the call, I don't think moving money to another account in her name would've been particularly difficult for Miss B to explain to an agent.

Miss B being directed by the scammer to mislead R wasn't impactful in uncovering the scam, so I've no reason to think it would've been had she been told to mislead Starling. As I've said above Starling would've likely known from CoP that the payments were going to an account in Miss B's own name. So they wouldn't reasonably have had concerns that the payments were going to an unknown third party, cryptocurrency or similar which can be something that is fairly commonly seen in scams. As I've mentioned above, for another payment as part of the same scam Miss B told R that a payment was towards a wedding. And any conversations or warnings could've only been in response to what Miss B would've said her payment was for.

Similarly, given my finding that Miss B must have seen the warnings already given about being guided, moving money to a safe account and a sense of urgency, I've no reason to think she would've responded differently had those same questions or warnings been posed verbally compared to within an app. All the evidence supports that Miss B was coached by the scammer, and whilst that coaching couldn't have been as direct if Miss B was on a call, I

think the weight of the available evidence supports, on balance, that Miss B would've still followed the scammers instructions.

I'm also not persuaded that Miss B's realisation that she'd been scammed came as soon after the end of her call to the scammer as she's suggested. The timeline of events that Miss B has provided say that around 8.09pm she was put on hold to await her funds to be transferred back to the safe place and the call dropped out. She says she tried calling back the number she'd been contacted from but no-one replied. Then around 45 minutes later she contacted Starling online to ask for help and whether they recognised the reference number the scammer had given her. Following on from this the scam was uncovered. So I don't think Miss B immediately realised she'd been scammed once off the call with the scammer. There was about a 45 minute gap before she contacted Starling and whilst I can accept her suspicions had been raised in the meantime, even then she still sought clarity around the reference number she'd been provided with and it took further input from Starling before the scam was confirmed. Further to this, the core reason for the scam coming to light seems to have been that the scammer ceased contact, having successfully scammed Miss B and having received a significant amount of funds. And not that there was a pause or gap which allowed Miss B to come to the realisation herself. Had a phone call been required by Starling, it's most likely the scammer would've remained in contact and continued to engage with Miss B until the money was received.

So taking all the evidence together, I'm not persuaded that Starling are responsible for Miss B's outstanding loss in the circumstances here. Miss B also raised a number of further points which include that she thinks Starling:

- should have 'held' the payments for a meaningful amount of time to allow her a 'cooling off' period after making each payment. She says this is something that has been recommended to the banking sector by the government.*
- should not have relied on the answers she gave in the in-app chat due to the possibility of her being coerced. They also should have realised her answers were likely 'dictated' by another.*
- should have offered her pro-active training to make her aware of scams.*
- should have worked more closely with the other banks involved to have spotted the overall pattern of authorised push payment (APP) fraud.*
- should have invoked the banking protocol.*

Miss B has referred to comments made by the Treasury Select Committee and a House of Commons Briefing Paper. I've considered what she's said in relation to these, but they are primarily discussions and suggestions. They aren't current regulation, guidance or law and can't be said to be current industry practice. So I don't agree that the suggestions that she's highlighted (such as a mandatory delay on initial or first time payments) is something I could fairly criticise Starling for not having in place at the time of her payments.

I don't agree that it wasn't reasonable for Starling to accept the answers Miss B gave at the time for the online chat. Starling gave context to the questions they were asking and shared the importance of answering truthfully. And I don't think it's reasonable to expect them to have identified the answers were being dictated by a scammer. Any warnings a business gives need to be proportionate to the risk they are trying to mitigate. Ultimately every payment processed could potentially be as a result of a scam. It wouldn't be practical nor feasible for Starling to stop and check each and every payment. There was nothing in the responses Miss B had provided that ought to have given them cause for concern or that put Starling on notice that these payments were the misappropriation of funds.

There is a wide variety of scam prevention information available online (including on

Starling's own website). And Starling aren't required to pro-actively provide education in the way Miss B seems to expect.

Starling will also only have sight of the accounts held with them. There would have been no ability for them to have monitored accounts held with other businesses or to identify other payments made as part of the overall scam. Nor have I seen evidence to indicate that they were put on notice by any of the other businesses involved and that they failed to act. So, this isn't a reasonable basis upon which I can require them to do more.

The Banking Protocol is a joint initiative between the police and banks. As part of this initiative staff should be trained to identify potential victims of scams and ultimately it can result in the police being called to a branch where there are concerns. This is something that is primarily aimed at in branch interactions, and Starling don't have branches. But I accept there is nothing to stop Starling broadly following the same principles (and involving the police) where they hold legitimate concerns. But progressing through the banking protocol to the point of involving the police is dependent on the business involved not being satisfied or reassured at the earlier stages. And as I've set out, I think it's more likely than not that even if a call had taken place, Miss B would've reassured Starling about the payments she was making. And so, in this case, there isn't a reasonable basis upon which I think they should have done more in line with the Banking Protocol or have sought to have involved the police.

Miss B has also mentioned the Lending Standards Board's Contingent Reimbursement Model (CRM Code). This is a voluntary scheme through which victims of scams can sometimes receive reimbursement from the banks involved. And whilst Starling are a signatory to the CRM Code, it requires that the payment went to 'another person'. And as the payments from this Starling account went to Miss B's own account with R, the CRM Code isn't applicable and can't be used as a basis to require Starling to do more.

Recovery

These payments went to Miss B's own account with R (before being lost to the scam). With that in mind, had they remained in the account with R, Miss B would've had control of them. So I don't think there were any failings in Starling's recovery efforts that made a difference."

Starling responded and said they had nothing further to add. Miss B provided a response which I'll address below.

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.

Miss B says that I've misunderstood the core elements of her complaint. She says that Starling identified the risk associated with her payments and that they should've done more to protect her. Most importantly, by delaying payments which would have likely prevented the fraud. She believes that by not delaying the payments, Starling were negligent.

Miss B says that Starling, (under the PSRs), could have delayed them until the close of the following business day. She says due to how she answered the questions from them, Starling would've known that the payment wasn't urgent. So, there wouldn't have been any detriment to her in it being delayed (if it had been genuine) and that this would've taken her out of the scammers influence. She believes that even a short additional delay would've been impactful, as she was in the company of other people who knew she was on the phone

to banks and would have had the opportunity to have rational face to face conversations with her at the time.

Starling are still required to promptly process payments, and any delays they might cause through making additional checks, still need to be proportionate and appropriate. I've set out above the steps I think Starling ought to have taken, and what I believe (on balance) the outcome of this would've been. And I wouldn't have expected Starling to introduce further delays once those additional steps were taken, 'just in case'. So I don't think this is a basis upon which I could require more from Starling here.

Miss B also said I inferred that 45 minutes was too long for her to realise she'd been scammed, and she found this insulting. Insulting Miss B was not my intention and I'm sorry if she interpreted it that way. It merely formed part of my overall reasoning as to why I wasn't persuaded that she would have immediately come to the realisation that she'd been scammed, as soon as she was off the call with the scammer.

Miss B also asked me to provide more details as to the steps Starling took to recover her funds and to justify how their actions were appropriate. This isn't something I think I need to do to fairly determine this complaint. The account with R that Miss B paid was in her own control. And by the time she'd informed Starling of the issue, her funds had already been moved on from R. Had funds remained that might've been recoverable, Miss B already would've had access to them. So, I maintain that even if there were failings by Starling in their recovery efforts, these wouldn't have impacted what could've been returned.

As I've said above, I'm sorry to hear Miss B lost money to a cruel scam. But as I don't think this is something Starling are responsible for, I'm not going to require them to do more to resolve this complaint.

My final decision

For the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 29 July 2025.

Richard Annandale
Ombudsman