

The complaint

Mrs G complains Starling Bank Limited didn't do enough to protect her when she fell victim to a job scam.

What happened

Mrs G has an account with Starling Bank and an account with another business who I'll refer to as "R" throughout the rest of this decision.

Mrs G says she was looking for online jobs she could do from home when she saw an advert about an opportunity to earn and salary and commission. She says she expressed interest and was contacted by someone on social media who explained what the job involved and that she'd be working for two household names. She was, in fact, talking to a scammer.

Mrs G says the job involved completing tasks on two separate platforms and that she needed to send cryptocurrency to the platforms in question to take on tasks. She says the scammer encouraged her to open an account with R – which she did on 21 August 2023 – and download cryptocurrency apps.

Having opened an account with R, Mrs G transferred just over £2,200 from her account with Starling Bank to her account with R. She then used this £2,200 to buy cryptocurrency so she could take on tasks. This was all done over a period of two days. Mrs G says she realised she'd been scammed when she ran out of money – even after having borrowed from friends and family – meaning she wasn't able to complete her tasks and wasn't able to claim the profits she'd been told she'd made. The scammer's response to her predicament was to suggest she take out a loan. Mrs G contacted Starling Bank and R.

Starling Bank looked into Mrs G's claim and said that she needed to contact R. Mrs G was unhappy with the way Starling Bank handled her claim and complained. Starling Bank looked into her claim further accepted that it hadn't handled Mrs G's claim as well as it should have done – her claim was closed down early on when it shouldn't have been. Starling Bank offered £200 in compensation for this. But it remained of the view that it wasn't able to refund her as it had checked the payments she was making and Mrs G had said she was simply transferring money to another account. In the circumstances, Starling Bank didn't agree it had done anything wrong. Mrs G was unhappy with Starling Bank's response – and R's response – and so complained to our service.

One of our investigators looked into Mrs G's complaint and said that Starling Bank would have had no reason to be concerned about the payments that Mrs G was making as they weren't unusual or concerning and were also going to an account in her own name. In addition, when Starling Bank checked a payment Mrs G wanted to make – her fourth payment to her account with R – her answers didn't raise any concerns. As our investigator thought the £200 Starling Bank had offered for the poor way it had handled her complaint was reasonable, they didn't recommend that Starling Bank needed to do more. Mrs G wasn't happy with our investigator's recommendation and asked for her complaint to be referred to an ombudsman for a decision. Mrs G's complaint was, as a result, passed to me.

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.

Last month I issued a provisional decision. In that decision I said the following:

"In this case I'm satisfied that Mrs G transferred just over £2,200 from her account with Starling to her newly set up account with R. I don't agree that the mere fact that Mrs G was transferring money to another account in her name means that Starling ought to have had no concerns and can't be held liable for losses that Mrs G subsequently suffered given the rise of multi-stage fraud. But in this case, I agree with our investigator that the payments Mrs G made weren't unusual or concerning because they were all relatively small and in line with her typical usage. I say that because of the ten payments that Mrs G made five were for £100 or less, one was for approximately £150, two were for between £330 and £360, one was for £500 and one was for £600. In other words, I don't agree that this was a case where Starling needed to intervene.

In this case, I can see that Starling checked why Mrs G was making her fourth payment – which was for just over £330 – and she said that she was simply transferring money to another account. I don't, as I've mentioned, think that check was necessary nor do I think Starling missed an opportunity to uncover the scam that Mrs G was falling for given what happened when it checked her fourth payment.

I can see that Starling has accepted that it didn't handle Mrs G's claim as well as it could have done. I agree with our investigator that the compensation paid by Starling for the impact that had is fair and that I don't, therefore, need to ask it to do more."

Both parties were invited to respond to my provisional decision. Both did and neither had anything to add. I've, therefore, reconsidered everything again and in the absence of anything new from the parties have decided that this is a complaint I can't uphold for the reasons given above.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 30 April 2025.

Nicolas Atkinson
Ombudsman