

## The complaint

Mr and Mrs S complain that Starling Bank Limited won't refund the money they lost when they were the victims of a scam.

## What happened

In February 2025, Mr A received a text message from someone who said they had been given his details by a recruitment agency and had details of a potential job for him. And as he was interested, Mr A replied and was told the job involved optimising apps to increase their rankings in online stores.

Mr S was given access to a platform where he could see the tasks he was to complete and the money he had earned. And he was shown how to purchase cryptocurrency, which he would use to pay for some of the tasks he was to complete. He then made a number of payments from a Starling account he held jointly with Mrs S to an account he held with another bank. And these funds were then used to purchase cryptocurrency, which he then sent on to wallet details he was given for the job platform.

I've set out the payments made from Mr and Mrs S' account below:

<b>Date</b>	<b>Details</b>	<b>Amount</b>
21 February 2025	To account with other bank	£4,500
21 February 2025	To account with other bank	£10,000

Unfortunately, we now know the job was a scam. The scam was uncovered after Mr S was told he needed to pay increasingly large amounts of money before he could complete all the tasks he'd been given or withdraw the money the platform said he had made. Mr S then realised he had been the victim of a scam and reported the payments to Starling.

Starling investigated but said the payments were made to an account in Mr S' name held with another bank before being sent to the scam, so were outside of Starling's control before they were lost to the scam. And so it didn't agree to refund the money Mr and Mrs S had lost. Mr and Mrs S weren't satisfied with Starling's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think Starling should have been expected to identify that Mr and Mrs S were at risk of harm or intervene in any of the payments they made. So they didn't think it should have to refund any of the money they lost. Mr and Mrs S disagreed with our investigator, so the complaint has been 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.

Banks are expected to make payments in line with their customers' instructions. And Mr and Mrs S accept they made the payments here. So while I recognise they didn't intend for the

money to ultimately go to scammers, they did authorise the payments. And so the starting position in law is that Starling was obliged to follow their instructions and make the payments. So Mr and Mrs S aren't automatically entitled to a refund.

The regulatory landscape, along with good industry practice, sets out requirements for banks to protect their customers from fraud and financial harm. So, in line with this, I think Starling should fairly and reasonably:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

So I've considered whether Starling should have identified that Mr and Mrs S were at heightened risk of financial harm from fraud as a result of any of the payments they made here.

But while the two payments here were for significant amounts, they were both sent to an account with another bank that Mr and Mrs S had sent a significant number of payments to in the previous months. So the bank details the payments were sent to were a well-established payee on Mr and Mrs S' account, and I think it's reasonable that Starling took considerable comfort from this when assessing the risk the payments posed.

Starling could also see that the account the payments were going to was in Mr S' own name. And, while this does not mean there will never be a risk associated with a payment and it should still have been mindful of the use of multi-stage fraud, I think it's reasonable that this will also have made the payment seem likely to carry less risk to Starling.

The payments also didn't use up the full available balance in Mr and Mrs S' account, or a suspicious proportion of the available balance. And I don't think there was anything else about the payments that should have caused Starling significant concern.

So I don't think it's unreasonable that Starling didn't identify that Mr and Mrs S could be at heightened risk of financial harm from fraud as a result of these payments. And so I don't think it's unreasonable that it didn't take any further steps or carry out any additional checks before allowing them to go through.

I sympathise with the position Mr and Mrs S have found themselves in and I recognise that they have lost a significant amount of money. They have been the victims of a cruel scam and I appreciate that my decision will come as a disappointment to them. But I can only look at Starling's responsibilities here and, for the reasons I've explained above, I wouldn't have expected it to do anything further here and I don't think it would be fair to hold it responsible for the money they have lost.

### **My final decision**

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs S to accept or reject my decision before 2 January 2026.

Alan Millward  
**Ombudsman**