

## The complaint

Mr A complains that Starling Bank Limited failed to identify his gambling addiction and didn't intervene to support him. Mr A also complains that Starling didn't close his account when he asked it to.

## What happened

Mr A held a current account with Starling which he used to make payments to several competition-based websites in 2023 and 2024.

Mr A says he had developed a severe gambling addiction and a pattern of compulsive spending which resulted in substantial losses.

In January 2024 Mr A complained to Starling about a separate and different matter at which point he informed Starling about certain physical and mental health concerns he suffers with. I won't detail Mr A's medical conditions here to protect his privacy. Mr A didn't inform Starling about his gambling addiction at this point.

In May 2024 Starling advised Mr A it was going to close his account in 60 days for undisclosed reasons. In July 2024 Mr A contacted Starling and asked if there was any chance it could provide an extension for a day or two while he awaited some payments into the account. Starling said it wouldn't be able to provide an extension, and the account would close the next day.

However, the account wasn't closed the next day and Mr A contacted Starling to follow it up. Starling replied and advised Mr A how he could close his account via his banking app. Mr A said it wasn't letting him close his account that way and Starling said it can see his account is set for closure in 60 days – despite it already being over 60 days since it had last said this.

Mr A contacted Starling again two days later and asked for advice on how to close his account. Mr A appear to have left the webchat before Starling could provide him support with closing his account. Ultimately, the account wasn't closed and Mr A continued to use it.

In May 2025 Mr A notified Starling of his gambling addiction. He complained Starling hadn't fulfilled its responsibilities to him because it didn't monitor his account for unusual and harmful spending patterns and didn't provide adequate support to help him avoid further losses. Mr A also complained Starling hadn't closed his account in 2024 when he asked it to.

Starling said it wasn't informed about Mr A's gambling addiction until he raised his complaint. Starling provided Mr A with some links he could follow to provide a range of support options including how to apply a gambling block to Mr A's account. Starling also pointed out the sites Mr A had used weren't categorised as gambling merchants so any gambling blocks it might have added likely wouldn't have been able to stop the transactions to those operators.

However, Starling said it had made an error in not closing Mr A's account when it said it would. Starling also said it could have provided more support when his account had gone overdrawn. To address the poor service, Starling paid Mr A £200 compensation. Mr A's

account was closed after he made the complaint.

Mr A wasn't happy with Nationwide's response, so he brought a complaint to our service.

Our investigator looked into Mr A's complaint but didn't recommend Starling do anything further. She said she didn't think it was unreasonable that Starling hadn't identified Mr A had a gambling problem and might need additional support. And she said once Starling was made aware of Mr A's gambling problem it had offered appropriate support. She concluded the £200 compensation already paid was reasonable in the circumstances to address the failure to close the account sooner.

As Mr A rejected our investigator's findings, his complaint has been passed to an ombudsman to make 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.

I would firstly like to express my sympathy for Mr A. I was sorry to learn about Mr A's gambling addiction and the physical and mental health issues he has described to us.

Mr A has provided commentary, evidence and raised rules and issues he's related to his gambling complaint. I'm grateful for the information provided but I'm not going to comment on everything. Even though I've read and reviewed the full details I'm going to stick to the factors that I think are key in relation to this complaint.

In deciding what's fair and reasonable, I will take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I will take into account what I consider to have been good industry practice at the time.

I think it's worth bearing in mind that most banks don't manually monitor accounts or have a mechanism to spot gambling activity beyond identifying debit card payments made to gambling merchants through standardised codes.

In most cases a bank is only likely to become aware of a customer having a gambling problem if it is alerted for another reason. Typically, this is because the bank's customer tells them they have a gambling problem, or the pattern of spending has triggered fraud detection algorithms, or there are signs of financial difficulty on the account that cause the bank to investigate further.

The issue for me to decide here is whether there is evidence to support or suggest, on balance, that Starling should have done more to protect Mr A considering all the circumstances at the time.

Firstly, I am satisfied from the evidence that Mr A instructed and authorised the transactions in question. The starting position in law is a bank is expected to process payments a customer authorises it to make, in accordance with the terms and conditions of the customer's account.

As referenced above, customer's accounts and transactions are not routinely monitored or examined manually by businesses as a matter of course. So, Starling would likely only have had reason to examine Mr A's account and transactions if it suspected fraud or if Mr A had gotten into clear financial difficulty.

I've not seen any evidence to suggest Starling's fraud detection algorithms should have been triggered. I also think it's fair to say the payments Mr A made to the competition websites were for relatively small amounts so I don't think they would have flagged as unusual or concerning. And the evidence doesn't suggest Mr A was significantly struggling to fund these transactions.

I can see Mr A's account went into an unarranged overdraft several times and the amount it was overdrawn by ranged from -£0.79 to -£30.44. Though typically, when the account was overdrawn it was for less than -£10. So, I don't think the amount the account went overdrawn by was enough to have raised concerns with Starling. And the account went overdrawn following various purchases for different things, only once can I see that the account was overdrawn after a payment to one of the competition websites.

Overall, I'm persuaded it's unlikely Starling should have considered Mr A's account to be showing signs of serious financial difficulty nor had a reason to examine Mr A's account and payments in more detail.

Mr A said Starling failed in its duty of care and didn't provide support or signposting as required by the Financial Conduct Authority (FCA) for vulnerable customers.

The Consumer Duty introduced by the FCA requires businesses to consider customers' vulnerabilities. In common with other banks, Starling is not likely to act on a potential vulnerability unless it becomes aware or is made aware of a specific problem.

Mr A had made Starling aware he had vulnerabilities in early 2024 when he raised a separate complaint about some disputed transactions. But Starling wasn't made aware of Mr A's gambling issues until 2025. And I wouldn't expect Starling to assume Mr A's vulnerabilities should lead to a problem with gambling. Particularly not before Starling was made aware of Mr A's gambling addiction.

We expect banks to help customers who reach out with problems such as gambling addiction. And in response to Mr A's gambling complaint, I can see that Starling has offered him appropriate support and made him aware of a feature on the account – a gambling block – which can be applied through the mobile banking app.

That being said, supporting customers may require banks to be proactive where vulnerabilities are evident or known about. And I've considered whether Starling should have done more, and as detailed above, I'm satisfied Mr A's account wasn't demonstrating a level of stress or financial difficulty to a degree that would reasonably have given Starling cause to intervene or investigate.

In conclusion, banks are required to support customers as described but won't be liable for their spending patterns and can't stop customers making authorised payments for legitimate activities such as gambling. As a consequence, there remains a high level of personal responsibility on the customer to address their harmful gambling.

I think it's clear Starling made an error in not closing Mr A's account when it said it would in 2024. I note initially Mr A asked for the account closure to be postponed but then when it wasn't closed by Starling, he asked for it to be closed. Based on the webchat evidence I've seen I think it's fair to say Starling were ready to provide Mr A with support to close his account, but Mr A left the webchat before Starling could offer more support. Mr A then continued to use the account and I can't see he asked for it to be closed again until he made a complaint in 2025, following which Starling advised Mr A how to close his account and the account was then closed.

I don't think it's reasonable to hold Starling responsible for the transactions Mr A made while his account was still open and he was continuing to use it. But I do think the £200 compensation paid by Starling is appropriate to address the disappointment, frustration and loss of expectation I think Mr A will have experienced when his account wasn't closed despite Starling saying it would be.

Our service investigates the merits of complaints on an individual basis, and that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr A will be very disappointed by this outcome though I hope he appreciates the reasons why I consider this to be a fair and reasonable outcome. By rejecting this decision all options remain open to Mr A.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 10 March 2026.

Gordon Candlish  
**Ombudsman**