

The complaint

Mr T complains about how Starling Bank Limited (Starling) handled his request to chargeback a transaction.

What happened

In July 2025, Mr T made a £236 payment to a merchant for tickets using his Starling debit card. Mr T says at the time of the booking he was assured of a booking guarantee and a best price promise, with significant savings over walk up prices, however on arrival he found this not to be the case. Unable to resolve this with the merchant, he contacted Starling and requested a full refund.

Starling said it was unable to raise the requested chargeback, as the service Mr T had paid for had been provided, meaning this type of dispute fell outside of the applicable chargeback rules. Unhappy that Starling didn't change its position after raising a complaint, Mr T referred his complaint to this service for an independent opinion.

One of our Investigators considered the complaint and didn't find that Starling had treated Mr T unfairly. He explained that Starling wasn't obligated to raise a chargeback, it was bound by the scheme rules, that there wasn't a reason code for the dispute in question and even if there had been, not enough evidence was provided to demonstrate that Mr T tried to resolve the issue with the merchant.

Mr T didn't agree with our Investigator's view and so the complaint was passed to me to decide. I issued a provisional decision, which gave the same outcome as the Investigator, but gave more detail. In that I said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

My summary above and comments below will focus on what I consider to be the key points to this complaint. Whilst I've considered everything in detail, if I don't comment on a particular point it's because I don't feel that I need to in order to reach a fair answer on this complaint. It's not meant as a discourtesy, but instead it reflects the informal nature of this service.

I want to make it clear that I'm not considering the actions of the merchant, as that doesn't fall within this service's remit. Instead my role is to consider the actions of Starling only. Whilst there may have been issues, it doesn't necessarily mean that Starling treated Mr T unfairly.

As Mr T made the payment in dispute via debit card, the only way Starling could potentially assist him in getting a refund was through the chargeback scheme. I need to determine then whether Starling treated Mr T fairly in how it dealt with the chargeback, including its decision not to attempt one.

Mr T has mentioned specific laws that he feels apply to his case. I've considered what he has said, but it's the scheme rules that are the relevant consideration for our service when considering whether a firm acted fairly when a chargeback is requested.

There are set rules and criteria under which Starling would need to follow as part of the chargeback process. These rules are set by the card scheme and cannot be altered or amended by Starling under any circumstances. Part of these rules set out the situations in which a chargeback can be raised in the form of reason codes, along with specific criteria for each code.

A chargeback isn't an automatic right for consumers and in Mr T's circumstances Starling had discretion to decide whether to attempt one or not. However, in treating Mr T fairly I'd expect it to attempt one if the scheme rules provided a specific option for his dispute and it had a reasonable prospect of success. Once a chargeback has been attempted, it would be for Starling to decide whether to pursue it further to each subsequent stage, depending on whether it considered there was a good prospect of it succeeding at each stage or not.

Starling says that it didn't raise the chargeback because the scheme rules were not met. Mr T disagreed, as he said the reason code 4853 was relevant to his dispute. I've thought carefully about what both parties have said on this point and whilst I think there was a valid dispute reason code applicable to the dispute, I'm not persuaded the chargeback had a reasonable prospect of succeeding, had it been attempted.

I say this because the dispute reason code 4853 - 'Goods or Services Were Either Not as Described or Defective' sets out when a chargeback may be raised, including when a cardholder claims that 'The merchant did not honor the terms and conditions of the contract with the cardholder including, but not limited to, 100 percent money back guarantee, written promises, guaranteed delivery commitments, or return policy.' I think this is applicable in Mr T's case, given his dispute is about a written promise regarding the price of the tickets and I'm satisfied the other criteria were met for a chargeback to be attempted.

Whilst I'm persuaded that there was a relevant dispute code, it doesn't mean that Mr T's chargeback would have been successful. In order to say that Starling treated Mr T unfairly and that it needs to do something to put things right, I'd need to be satisfied that, on balance, had Starling attempted the chargeback, it would likely have been successful, and therefore that Mr T has lost out as a result.

In my view, Starling likely had enough information from Mr T to attempt the chargeback. Whilst I can't be sure of exactly what would have happened, had Starling attempted the chargeback, I think it's likely that the merchant would have responded to defend its position, given that I understand Mr T had use of the tickets he purchased, so I don't think he'd have been able to claim the whole transaction amount, because he used the service. If this happened, Starling had the right to decide whether, based on the merchant's response and any further information provided by Mr T, the chargeback had a likely prospect of succeeding or not and whether it would take it to the next stage of the process.

In considering that part I've taken into account that the rules state that in order to take the chargeback to the next stage, called pre arbitration, 'documentation necessary to support the validity of the dispute' is required. I've thought then about what likely would have happened had Starling requested this evidence from Mr T.

Mr T's dispute is that tickets were on sale on the day of his booking at a lower price, despite the promises made when he purchased the tickets. In treating him fairly, I think Starling ought to have asked Mr T for any evidence he may have to support the dispute he made, in the form of evidence that like for like tickets were on sale at a lower price. However even if it did, given that Mr T hasn't been able to provide our service with evidence to support his recollections, I'm not persuaded that he would have provided this evidence to Starling. As a result, I think it's more likely than not that Starling would have concluded that the chargeback didn't have a good prospect of succeeding and as a result I think it likely would have made the decision not to pursue it further.

It follows that I intend to say, whilst I think Starling could've handled things better, it dealt with Mr T's request promptly and I've not seen persuasive evidence that the chargeback would have been successful. As a result, the position Mr T now finds himself in is no different, as I'm not persuaded he would have received the refund he requested.

I appreciate that Mr T feels strongly about this case and feels that Starling has misunderstood his request, but for the reasons given above I'm not intending to uphold his complaint."

In response, Mr T didn't agree. He said it wasn't for this service, nor Starling, to make assumptions about the outcome of the chargeback and said that he wanted this service to ask Starling to raise the claim, as he felt it was still within the timescales to do so.

As the deadline for a response has now passed, the complaint has been passed back to me to decide.

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've considered Mr T's response to my provisional decision but I've not seen anything to cause me to depart from the conclusions I reached. Whilst I appreciate Mr T's strength of feeling, as I previously explained, a chargeback is not an automatic right and Starling had discretion to decide whether to attempt one or not. It also had discretion over whether to pursue one if it had been attempted and as such, not all chargebacks reach the final stage in which the card scheme makes the final decision on the outcome of the chargeback.

Whilst I agree that there was an applicable reason code, that doesn't mean that the chargeback would have been successful had it been attempted, so my role is to think about what would likely have happened. I appreciate Mr T doesn't think this service should be making assumptions and wants Starling to attempt the chargeback now, but for all of the reasons I've given, I don't think the chargeback would have been successful had it been attempted, or if it were possible to attempt it now, so I'm not persuaded that Mr T has lost out. As such, it follows that I will not be asking Starling to do anything more.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 4 February 2026.

Daniella Roberts
Ombudsman