

The complaint

Mr W complains that Starling Bank Limited (Starling Bank) won't refund him for transactions he says he wasn't responsible for.

What happened

In June 2023 six transactions were made from Mr W's Starling Bank which he says weren't made by him. He says his card and wallet were stolen while abroad on holiday. Mr W checked his account after realising that his wallet was stolen and informed Starling Bank that the transactions were not made by him.

Mr W also said that he believes he may have been watched while entering his personal identification number (PIN) in a café by a member of the café staff or a bystander. Or alternatively, by someone watching over him at an ATM at the airport. So, Mr W says these weren't his transactions and he would like Starling Bank to refund the money.

Starling Bank investigated these transactions but decided not to uphold his complaint. This is because Mr W's genuine card and PIN were used for the transactions - and it couldn't find any reasonable time at which Mr W's PIN could've been compromised.

Mr W referred his complaint to our service and our Investigator looked into it. They agreed that the evidence showed the genuine card and PIN were used to make the transactions. Although Mr W has provided evidence that his card was stolen, that didn't explain how someone was able to enter his correct PIN to make the disputed transactions. The Investigator considered what Mr W said about his PIN being compromised, but they were not persuaded by this evidence.

Mr W disputed the Investigator's initial assessment into this complaint, so it has been passed to me for 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.

Mr W has raised a number of points and although I may not mention every point raised, I've considered everything he has said but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

I've seen the transaction history log from Starling Bank which shows that the six transactions in question were made using Mr W's genuine card and PIN. And Mr W has not disputed this – Mr W's evidence is that his actual card was stolen, and his PIN was compromised. So, the main factor for me to consider is whether it's likely or not that Mr W consented to these transactions.

Mr W says that he thinks his PIN was compromised either while making purchases in a café

or while taking out money from an ATM. So, I'll look at each of these scenarios in turn.

I've seen a log of the transactions carried out in the café. These include two declined transactions – due to Mr W entering an incorrect PIN - and two successful contactless transactions. I don't think Mr W's PIN was compromised here as the evidence shows that he entered the PIN incorrectly twice and so the transactions were not successful. So, even if someone had been watching over Mr W's shoulder at this point, they wouldn't have seen the correct PIN being entered in any event.

I've also considered what Mr W has said about the possibility someone saw his PIN at the ATM at the airport. But Mr W had been at the airport ATM at 12.48pm and didn't have his card stolen until after 10.00pm that evening. So, this would suggest someone had been following him around for over nine hours after seeing his PIN before stealing his wallet. While I accept this is possible, it seems unlikely that someone would follow him for so many hours.

Mr W has provided a receipt for a restaurant bill at 10.16pm on 2 June 2023 to prove that he was not at the location where the disputed transactions took place. However, the transactions in dispute took place between 11.56pm on 1 June 2023 and 12.29am on 2 June 2023. Therefore, the receipt that Mr W has provided does not match the time of the disputed transaction and does not make a difference to my findings here.

For all the reasons outlined above, I am not persuaded that Mr W's PIN was compromised. And so, it follows that I think it's more likely than not that Mr W consented to the transactions.

My final decision

I am not upholding Mr W's complaint against Starling Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 4 December 2023.

Sienna Mahboobani
Ombudsman