

The complaint

Miss J complains about Starling Bank Limited not providing her with a refund for a cancelled transaction.

What happened

On 26 April 2023, Miss J tried twice to make a purchase with Retailer A for £85 using her Starling account.

Although her Retailer A order didn't go through, Miss J's Starling banking APP showed she was to be charged twice but only refunded once. So, Miss J complained to Starling about the missing £85.

Starling said there were two £85 transactions for Retailer A on 26 April 2023, however these were never debited from her account. Starling added that this can be seen on her statement. And the two payments were successfully reversed after the 31-day pending process, one on the 18 May 2023 and the other on 25 May 2023.

Miss J doesn't believe this is the case and thinks her balance is £85 less than it should be. She complained to our service. However, our investigator was satisfied that Starling hadn't made a mistake.

As Miss J remains dissatisfied, this case has now been referred to me to look at.

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.

Having done so, I'm not upholding this complaint and I'll explain why.

I first checked all the statements on file.

As Miss J said:

"The two lots of £85 won't show on those statements as they were pending payments, they will only show once fully claimed by the merchant"

I looked at the April 2023 statement and those that proceeded it. However, my checks confirmed that no £85 transactions for Retailer A were shown as debits on Miss J's account.

Miss J's belief, that Starling have made an error and haven't re-credited her with £85, is based on her Starling banking APP. Miss J provided some APP screenshots highlighting her balance not having increased by £85.

So, I considered Starling's APP and whether Starling and our investigator were right to rely on and give greater weight to Starling's statements which show that no £85 transactions left Miss J's account. From reviewing the file, I'm satisfied they were, as any funds that are paid from a Starling account will be shown on the statements whereas the APP shows live information and pending transactions which can impact available balance but can be reversed in line with banking procedure.

Regarding the APP balance Miss J also said:

"There is some sort of anomaly when my mobile app doesn't match up to the statements"

I should point out that our service isn't the financial regulator, and we can't interrogate business systems or evaluate the efficiency of banking APP's, including pending transaction balance updates.

Although I'm satisfied it's reasonable for Starling to rely on the information shown on their statements, due to Miss J's comments and screenshots, I looked at the analysis carried out by our investigator which he explained in his second view. Having done so, whilst recognising Miss J's point, I'm also not persuaded there is a mismatch between Starling's statement and APP balances.

So, having considered all the above I'm not persuaded that Starling have made an error here and I'm not upholding this complaint.

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 Miss J to accept or reject my decision before 19 January 2024.

Paul Douglas
Ombudsman