

The complaint

Mr T complains Starling Bank Limited (“Starling”) failed to take reasonable steps to protect him from financial harm when trying to make a payment. He believes Starling discriminated against him because of his vulnerability.

What happened

Mr T wished to make a payment to a third-party account. Mr T was having difficulty doing the transaction online and so telephoned Starling for assistance. The beneficiary details Mr T had for the account he wanted to make the payment to didn’t match. Mr T asked Starling’s call handler to contact the third-party on his behalf to obtain the correct details so the payment could be made and set up a new payee for him.

Starling said it couldn’t do what Mr T had requested and recommended Mr T contact the beneficiary himself to obtain the correct payment details and he would then be able to set up the new payee on his account to send the funds.

Mr T raised a complaint about this. He says Starling failed to provide him with sufficient help in trying to make the payment taking into consideration he’s a vulnerable adult and that Starling need to take reasonable steps to protect him from financial harm and believes it discriminated against him because of his vulnerability.

Starling didn’t uphold Mr T’s complaint. It says although it has an obligation to make reasonable adjustments for its customers, it doesn’t have the facilities to set up a payee on Mr T’s behalf and isn’t required to offer telephone banking, so it could not make a reasonable adjustment to offer this service.

Mr T was dissatisfied with this and so brought his complaint to this service asking that the FCA handbook and Customer Duty Guidelines are taken into consideration when doing so.

One of our investigators looked at all of this but didn’t think having Starling contact a third-party in the way Mr T wished it to was something Starling was obliged to do or would be considered a reasonable adjustment. They didn’t think that Starling had acted in a way that breaches the Consumer Duty as Starling is an online bank and as such is limited in what it can offer to support Mr T in terms of his vulnerability. But thought because Starling had offered to provide guidance and support to Mr T in setting up a payee by phone it had made a reasonable effort to help him.

Mr T disagreed and has asked for an ombudsman’s 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 T says it failed to make reasonable adjustments in the support it offered him when he wished to set up a new payee for him on his account and discriminated against him because

of his vulnerabilities. In considering his complaint Mr T asked that the FCA handbook and Customer Duty Guidelines are taken into consideration.

While we do take relevant law and regulation into account when arriving at our decisions, our remit is focused on whether we feel a fair and reasonable outcome has occurred – from an impartial perspective - after taking all the factors and circumstances of a complaint into consideration. Only a court could make a finding as to whether a business breached its duty under the relevant act.

But that said when considering Mr T's complaint, I've had particular regard to both the Equality Act 2010 and the Consumer Duty and consumer support outcome and guidance for firms provided by the FCA (Financial Conduct Authority).

Mr T is unhappy that Starling wouldn't contact and confirm the details of a beneficiary he wished to pay on his behalf or set them up as a new payee on his account.

So what I need to consider is whether what Mr T was asking was a reasonable adjustment that Starling could provide and if not whether the alternatives he was given was fair in the circumstances. And having considered everything for the following reasons I don't think what Mr T was asking of Starling did amount to a reasonable adjustment.

Firstly, Starling doesn't have a relationship with the beneficiary or the authority to request this sort of information from it. And even if it did it would have no way of validating the beneficiary details are correct. Ultimately, Mr T is the one that wanted to make the payment so he is the only one who can confirm the identity of the beneficiary and their details.

Mr T wished for Starling to set up a new payee on his account on his behalf. Starling says it wasn't able to do this but was happy to provide general advice on what steps to take when setting up new payee details over the phone to support him in this. Mr T is unhappy with this and doesn't believe this amounted to a reasonable adjustment.

The FCA does not prescribe which channels firms must offer such as online, over the phone or in person. But in circumstances where a customer has a disability or vulnerability that reasonably prevents them from complying with a policy maintained by a business it would generally be expected that the business would make reasonable adjustments to facilitate their customers being able to achieve their objective via alternative means.

While I accept that the alternative offered by Starling isn't one which Mr T is willing to accept, I don't think it means that Starling haven't made a reasonable adjustment for him. I say this because I don't think there is a reasonable adjustment that Starling could make which would allow it to source the details of the beneficiary he wishes to transfer funds to or set up the new payee for him on his behalf.

Starling is an online bank, providing facilities and services online, it simply isn't able to set up a payee for Mr T over the phone. I think to attempt to do this it would likely require Mr T to provide Starling with information to access his account - such as passwords the details of which should be kept private and the disclosure of which would compromise the security of his account. So I don't think there is a reasonable adjustment Starling could make which would allow it to do this.

The consumer support outcome requires businesses to deliver support that meets the needs of customers, including those with characteristics of vulnerability.

I think Starling has done this in the support it has offered Mr T. I say this because I can see Mr T was able to access and operate his account online, obtain the details of the account

from the beneficiary he wished to make a payment to, as well as making a call to Starling to communicate what he wanted to do. So I can't say that offering Mr T support over the phone to assist him to set up a payee online doesn't meet his needs given he has shown he can access and use both channels. Indeed, it is my understanding that Mr T managed to set up the beneficiary as a new payee on his account shortly after raising his complaint.

Finally, I've also seen no evidence that Starling discriminated against Mr T directly or otherwise because of his vulnerabilities. So it follows that because I don't think Mr T's request amounted to a reasonable adjustment and I think the support Starling offered was a reasonable alternative that Starling have treated Mr T fairly and so I do not uphold his complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr T's complaint against Starling Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 28 February 2024.

Caroline Davies
Ombudsman