

The complaint

Mr W complains about Advanced Payment Solutions Limited trading as Cashplus Bank.

Mr W says that Cashplus didn't do enough to prevent an account being opened by a fraudster who scammed him out of money, and it didn't respond quickly enough when it was informed of the scam to prevent the movement of funds.

He would like Cashplus to refund him the money he has lost.

What happened

In March 2023, Mr W was in the process of transferring funds in relation to a property purchase. Unfortunately, his solicitors' emails were hacked by a scammer who tricked Mr W into sending the funds to an alternative bank account – held with Cashplus.

Mr W made two payments totalling £24,000. He didn't realise what had happened until his genuine solicitor contacted him.

Mr W says that Cashplus is responsible for his loss as it didn't conduct proper checks when opening the account or take any action on suspicious activity on the account.

Mr W complained to Cashplus, who didn't uphold his complaint.

Mr W then brought his complaint to this Service. Our Investigator looked into things but didn't think that the complaint should be upheld. Unhappy, Mr W asked for an ombudsman to make a decision, so it has been passed to me.

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've decided not to uphold this complaint, for broadly the same reasons as our investigator.

I know this will be disappointing for Mr W, and I understand why. He has been the victim of a cruel scam and has lost a large amount of money. However, my role here is to investigate the actions of Cashplus as the receiving bank – and on this occasion, I don't think that it has done anything wrong. I'll explain why.

Cashplus has shared information with this Service in relation to the account that Mr W sent money to – while I am limited to what I am able to share with Mr W, I'm satisfied that there was no concern about the way the account was opened, and that there was no indication at the time that the account was opened it would be used for fraudulent purposes.

I've also considered the activity on the account and if this should have caused Cashplus cause for concern and further investigation prior to Mr W informing it that he had been the

victim of a scam – and I’m satisfied that there wasn’t. So, I can’t say that Cashplus missed an opportunity to prevent the loss that Mr W has suffered.

Lastly, by the time Cashplus was notified of the scam, the funds that Mr W had sent to the account had already left the account – so there was nothing left for Cashplus to return to Mr W.

I am very sorry for the situation Mr W now finds himself in – however I am unable to find that Cashplus has done anything wrong here.

My final decision

I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr W to accept or reject my decision before 5 March 2024.

Claire Pugh
Ombudsman