

The complaint

Mr and Mrs F complain that Cumberland Building Society (CBS) will not refund money they lost to a scam.

Mr and Mrs F are represented by a firm I'll refer to as "C". For ease, I have referred to comments made by C as though Mr and Mrs F made them.

What happened

The details of this complaint are well known to both parties so I won't repeat them all again here.

In summary, Mr and Mrs F saw an online advertisement for a second-hand campervan. And in September 2023 Mr F went into branch and made a payment of £9,800 to what he believed was the haulage company. Unfortunately they realised they had been scammed when the seller stopped responding to communication and the campervan was not delivered.

Mr and Mrs F raised the matter with CBS, but it didn't refund the money they lost. Our investigator thought the complaint should be upheld. She thought that the payment should have raised suspicions and CBS ought to have asked further questions. Our investigator said that had it done so, the scam would have been prevented.

CBS didn't accept our investigators view and asked for an ombudsman's decision. So, the complaint has been passed 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.

Having done so, I agree with the outcome our investigator reached and for similar reasons.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, CBS should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

I find the payment Mr F made was significantly larger than previous payments made from the account in the 12 months prior and uncharacteristic of the typical account activity. The notes from the branch indicate that when asked, Mr F stated he was purchasing a vehicle he had seen advertised. As such I think CBS ought reasonably to have identified that Mr F might have been at a heightened risk of financial harm from fraud and asked further questions to establish whether the purchase was genuine.

While the questions should not amount to interrogation, I would reasonably expect the member of staff to have asked on what website Mr F had seen the advert. And had they done so, it would have come to light that the payment was being made to an external

account and not through the website he had found the vehicle on, which I find unusual. As this is a common feature of the type of scam Mr F fell victim to, I think it would have raised further concerns that he might be at risk of harm.

As well as this, CBS could have ascertained that the payment was not to the seller of the vehicle but in the name of an unknown third party, and the vehicle was being sold for a considerable amount below its market value. With this information I think CBS would have been able to uncover the scam and warn Mr F not to make the payment. I have no reason to think he would not have heeded such a warning from the bank. Particularly as during discussions with the scammer, they mentioned a scam they had almost been victims of, so I think Mr F would have been cautious and stopped. As such, I am persuaded that CBS could have prevented the scam.

I have considered whether Mr and Mrs F were negligent and should bear some responsibility for their loss and I don't think it would be fair here. I think there were aspects of the scam that would have appeared genuine. They found the vehicle advertised on a reputable website, they carried out appropriate research and found the vehicle had up to date road safety certification. The haulage company the scammer claimed they would use to deliver the campervan is a legitimate company, so I think it's unlikely to have raised suspicions for them. Taking all this into account, I don't think Mr and Mrs F were negligent to the point whereby it would be fair or reasonable to reduce their refund in these specific circumstances.

CBS doesn't think it would have been able to uncover the scam for the same reasons Mr and Mrs F were convinced the sale was legitimate. However I find the circumstances bore all the hallmarks of a goods and services scam. And by the time the payments were being made I think CBS ought to have been aware of the key features of this type of scam and it ought to have been on the look-out for the possibility of fraud. So it is for these reasons I think it is fair and reasonable to hold CBS responsible for Mr and Mrs F's loss.

My final decision

For the reasons outlined above, my final decision is that I uphold this complaint and require Cumberland Building Society to:

- Refund the payment Mr and Mrs F made, less the amount it was able to recover from the receiving bank.
- It should also apply 8% simple interest on this amount, per year, for loss of use of their money during this time - calculated from the date of each payment to the date of settlement.

If Revolut Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr and Mrs F how much it's taken off. It should also give Mr and Mrs F a tax deduction certificate if they ask for one, so they can reclaim the tax from HM Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs F to accept or reject my decision before 9 July 2025.

Oluwatobi Balogun
Ombudsman