

The complaint

Mr F complains that Wise Payments Limited (Wise) won't refund him funds that were transferred to the wrong party.

What happened

What Mr F says

Mr F says he wanted to send funds to his account abroad. He tried to make a card payment to Wise, but it was declined by his bank multiple times. He's uncertain why as no reason was given and the funds were available. As he was experiencing problems, Mr F called Wise. He says that a Wise agent said it could be done manually instead and generated a contact in the Wise app for him to send money to. The contact was in the name of someone I'll refer to as A. Mr F says he was advised to create a dummy payment of £1 and he later also set up a dummy payment of £10.

Mr F says he was then told by the Wise agent to transfer £10,000 from his UK bank account to the Wise account details for A but to use his own name. Wise would then forward funds to his account abroad. Mr F says he did as advised and was told the transaction had been processed and a receipt was generated showing the payment to A. The next day funds hadn't arrived in Mr F's bank account abroad and so he called Wise. Mr F says Wise told him he had set up a payment to A and its systems wouldn't allow its agent to take the steps I have set out above.

Mr F says Wise has told him the payment was sent to the payee Mr F set up and the beneficiary hasn't agreed to return it. Mr F disagrees and says the Wise agent committed fraud in setting up A as the payee and then deleted A from his account or was incompetent.

What Wise say

Wise has provided a recording of a call on 29 July 2019 when Mr F discussed the difficulties he was experiencing when trying to send his funds abroad. It says Mr F chose the intended recipient (A) himself during the call. As part of the payment process Wise say Mr F was provided with a list of recipients from his contact list that had a Wise account and from this list Mr F chose A. And its agent told Mr F on multiple occasions that he was transferring funds to A, but Mr F went ahead with the payment. So Wise says the payment was correctly made to the recipient Mr F chose and set up. It has approached the recipient, but she hasn't agreed to return the funds.

Our investigation so far

The investigator who considered this complaint didn't uphold it. She was satisfied that Mr F set A up as a contact from his list and there was no indication Wise instructed him to choose A. She also felt that Mr F understood that he could choose different recipients as he chose himself for the second £10 test payment. After listening to the call recording the investigator was satisfied Wise told Mr F he was paying A on three occasions and so she felt it had done enough. Finally, the investigator provided a screenshot of a summary screen Mr F would have seen that showed he was paying A. In relation to attempts to recover Mr F's funds, the investigator noted that the recipient used the funds within minutes of reaching the account and before Mr F reported that he hadn't received the funds. Wise contacted the recipient but was unsuccessful in returning Mr F's funds.

Mr F didn't accept what the investigator said and asked for a final decision, so the complaint has been passed to me to consider.

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.

This whole complaint revolves around a conversation Mr F had with a Wise agent on 29 July 2019. Wise has been able to provide a recording of this call which has helped my assessment of Mr F's complaint. I understand the recording has been shared with Mr F.

Having listened to the call I don't agree with Mr F's recollection of events. I also don't consider Wise has acted unreasonably and will explain why by going through what was said in the call.

Mr F explained that he'd tried to send money to his account abroad a few days before and it was declined. Mr F said his bank told him the issue was with Wise, but the Wise agent confirmed this wasn't the case and that for some reason Mr F's bank had refused the transaction. The agent was able to see that Mr F had tried to make a payment on a few occasions. He went on to suggest that Mr F could do a manual transfer instead and talked him through the process by setting up a dummy transfer. The agent explained that he would show Mr F how to make the payment, but he didn't need to actually pay it.

The Wise agent told Mr F what to click on to start the payment process and told him to choose a recipient and get to the payment page. When he reached the payment page the agent told Mr F he should choose the manual bank transfer option rather than the option to pay by card. Mr F was then advised to set up the transfer from his UK bank account. Mr F set up a dummy payment of £1 to A and also a £10 payment when he chose himself as the recipient.

Mr F wished to send a £10,000 payment to his bank account abroad and explained he needed the money quickly. He completed the same steps as previously while the Wise agent stayed on the line and provided assistance. The Wise agent said to Mr F,

"But you set this up to [A], not to yourself – just for your information".

Mr F responded by saying, "OK".

This wasn't the only time the Wise agent told Mr F he was sending funds to A. When discussing the payment, the Wise agent said,

"You send it to us and we send it out to, erm, [A]."

And,

"And also, you're not sending it to yourself, you know that you're sending it to [A]."

Again, Mr F responded by saying, "OK".

I'm persuaded that Mr F completed all the steps to transfer £10,000 himself and that the Wise agent didn't generate the contact as Mr F says he did. The Wise agent told Mr F to choose the recipient and I'm satisfied Mr F did so. Wise has confirmed that no recipients have been deleted from Mr F's account and that the recipient of Mr F's funds was chosen from his contact list. Mr F also received confirmation that he was paying A.

I'm also satisfied the Wise agent made it clear to Mr F that he wasn't paying himself but instead was sending funds to A. Mr F appears to have been in a rush to send funds and not to have taken on board what the agent told him. Whilst I realise the distressing consequences for Mr F, I can't blame Wise for this.

Wise is required to take reasonable steps to recover funds that have been mistakenly applied to an account. I've seen evidence that demonstrates Wise contacted A promptly (on

30 July 2019) and asked for the money to be returned or, if A thought the credit wasn't made in error, to confirm they were the correct recipient. Wise didn't receive a reply so also called A. In the circumstances, I consider Wise acted reasonably in trying to recover Mr F's funds. Wise has no power to force A to return the funds.

Overall, whilst I'm sorry to hear of Mr F's loss, I can't reasonably conclude Wise is responsible.

My final decision

For the reasons set out above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 April 2022.

Jay Hadfield
Ombudsman