

The complaint

Mrs D complains Wise Payments Limited (“Wise”) didn’t do enough to protect her when she fell victim to a scam.

What happened

Mrs D had an account with Wise – which was opened on 11 October 2022 and deactivated on 13 October 2022 – and accounts with two other businesses elsewhere. Mrs D says the account with Wise was opened by scammers, not her.

Mrs D says she was contacted by a woman having responded to an advert she’d seen on a well-known social media platform in which a well-known personality was promoting cryptocurrency. She says she was groomed over the next two months and a combination of three different people then managed to get her to send over £100,000 to what turned out to be an investment scam involving cryptocurrency. Mrs D says she used money from her pension, her savings, her dad and a loan to fund the payments she sent.

Mrs D says she realised she’d been scammed and contacted the other two businesses to let them know and to complain that they hadn’t done enough to protect her. Those businesses didn’t agree, so Mrs D complained to us. In the course of doing so, Mrs D complained to us about Wise. Mrs D said she thought around £50,000’s worth of payments had gone out of the Wise account in her name but didn’t know for sure as she hadn’t made any of them.

One of our investigators looked into Mrs D’s complaint about Wise and said that the evidence showed she’d opened the Wise account or had provided the details needed to open it / helped with the process. Our investigator also said that there was only one large payment that had gone into and out of the Wise account, namely a payment for £15,000. The source of that payment was a loan from one of the other businesses – a loan Mrs D accepts she applied for. Our investigator didn’t think the £15,000 payment was particularly unusual, and more importantly didn’t think any intervention by Wise would have made a difference given what had happened when the other two businesses had attempted to intervene. In the circumstances, our investigator didn’t uphold Mrs D’s complaint.

Mrs D didn’t agree with our investigator’s recommendations saying that she wasn’t aware of any of the transactions involving the Wise account in her name nor had she given permission for them – and that any money transferred into third party accounts was transferred without her knowledge. So she asked for her complaint to be referred to an ombudsman for a decision. Her complaint was, as a result, 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.

I’ve seen evidence that in the course of the account in Mrs D’s name being opened Wise was sent, amongst other things, a “live” photo of Mrs D and the front and back of her driving licence. Mrs D says she doesn’t remember this. I am, however, satisfied based on the

evidence that Wise has supplied, that Mrs D opened the Wise account that's in her name. I also agree with our investigator, based on the evidence that I've seen, that the £15,000 payment into and out of the account was made by Mrs D or authorised by her. I say that because I agree Mrs D must have provided the fraudsters with the details they needed to make the £15,000 payment at the very least. I'm also satisfied that the £15,000 payment into and out of the account was the only large payment into and out of the account.

Given what I've said, the only question I really need to ask is should Wise have done more to intervene and, more importantly in this case, would that have made any difference.

I'm satisfied that the source of the £15,000 payment was a loan for "home improvement" from one of the other businesses with whom Mrs D has an account – a loan Mrs D accepts she applied for. I'm satisfied that Mrs D made a large number of payments from the account that she held with that other business and that the other business intervened on a number of occasions as it was concerned that the payments Mrs D was making carried a high risk of fraud. I've listened to calls between Mrs D and the business in question and having done so I'm satisfied that Mrs D wasn't honest about what she was doing and gave misleading answers that meant the business in question could release the payments. Mrs D has told us that the scammers gave her cover stories. Either way, I agree with our investigator that the business in question couldn't have been expected to do more in light of the responses and reassurances Mrs D gave.

I have no reason to believe that Mrs D wouldn't have done the same with Wise had it tried to do more to intervene. I can see, for a start, that the purpose of the transfer was entered as "goods and services" rather than "investment". In the circumstances, I don't think anything more that I could fairly and reasonably have expected Wise to do in this case would have made a difference. It follows that I don't think Wise missed an opportunity to prevent a loss to Mrs D in this case. And that it wouldn't, therefore, be fair to uphold her 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 Mrs D to accept or reject my decision before 27 March 2024.

Nicolas Atkinson
Ombudsman