

## The complaint

Mr S complains that Wise Payments Limited didn't do enough to protect him against falling victim to a 'job scam'.

Mr S has used a representative to bring his complaint, but for ease of reading, I'll mostly just refer to Mr S himself.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here. In November 2022 Mr S says he was the victim of a scam. He found what he believed to be a home working opportunity on social media. At the time he believed he was submitting online reviews and that he would receive payment in return. He says he was told to engage in the work he had to credit the platform he was using with either cryptocurrency or funds from Wise.

Ultimately Mr S' made and received the following payments from his Wise account:

Date	Time	Payment	Beneficiary / Sender
8 November 2022	9.47pm	£11 Credit	Z
9 November 2022	1.53pm	£50 Debit	Z
9 November 2022	2.49pm	£17 Credit	Z
10 November 2022	12.03pm	£132 Debit	Z
10 November 2022	12.48pm	£228 Debit	Z
10 November 2022	3.17pm	£453 Credit	K
11 November 2022	11.40am	£399 Debit	M
11 November 2022	12.13pm	£1,216 Debit	M
11 November 2022	2.29pm	£3,139 Debit	T
11 November 2022	4.18pm	£4,788 Debit	Y
11 November 2022	4.26pm	£2,731 Debit	G
11 November 2022	4.59pm	£3,965 Debit	T
11 November 2022	8.23pm	£9,552 Debit	V
11 November 2022	9.45pm	£10,514 Debit	V

The payments Mr S made minus the credits received means he lost £36,233. Mr S says he realised he'd been the victim of a scam when he was unable to withdraw funds from the platform he'd been working through.

Mr S reported this to Wise. Ultimately Wise said they couldn't provide a refund as Mr S had authorised the payments himself. They did, however manage to recover just over £3,200 of what Mr S had paid. Mr S complained and when Wise maintained their position, the complaint was referred to our service.

One of our Investigators didn't recommend that it should be upheld. In summary she thought Wise should have intervened in the payments Mr S instructed, but she wasn't persuaded

that intervention would have made a difference. She also thought Wise had done what they could regarding recovery of the funds. Mr S disagreed and asked for an Ombudsman to review his complaint.

### **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 reached the same outcome as our Investigator and for very similar reasons. I know this will be disappointing for Mr S, so I'll explain why.

Wise have argued that the accounts they provide are primarily for money remittance. And as Mr S' account hadn't been used previously, they had no reason to think anything was amiss. From their perspective, the account was used as they'd expect – to send payments.

As a regulated business Wise have obligations to be alert to potential fraud and scams and to act in their customers best interests. And on 11 November 2022 Mr S sent over £36,000 from his account in around 10 hours. I think that at some point that day Wise ought to have done more and checked that Mr S wasn't at risk of financial harm from fraud based on the payments he was instructing. For the reasons I'll come to, I don't need to make a finding as to exactly what point that intervention should have come.

This is because I agree with our Investigator that I don't think any reasonable level of intervention by Wise would have impacted Mr S' decision to make the payments. Some of the payments into Mr S' Wise account (that facilitated the outgoing payments) were made through his accounts with another bank 'B' and an Electronic Money Institution (EMI), 'R'.

Our service has already considered complaints about B and R, neither of which were upheld. And the evidence supports that R provided several online scam warnings to Mr S which didn't disrupt the scam. But further to this B had two conversations with Mr S about the payments he was instructing, with a view to trying to protect him from a potential scam.

During these conversations, Mr S told B that he was moving the money to his account with Wise to achieve a better interest rate. He was also warned about scams in general including 'get rich quick' schemes. Mr S says he believed he was being paid for work and so this wasn't a 'get rich quick scheme'. However, I've also considered part of the message history Mr S has provided between him and someone involved in the scam but posing as another 'worker'.

Further to this, the message history also includes Mr S being encouraged to not be truthful with his bank. B specifically warned him about when people are told to lie about the purpose of their payments. The chat with the scammer also records that Mr S said: *"Because my bank thinks it's a scam and I am on the phone with them."* So, I think Mr S was fully aware of the potential for this to be a scam.

I've considered Mr S' point that there was a difference between payments being sent from B and R to his own Wise account that he was in control of – and those being sent on to other accounts from there. Mr S' rep says that he didn't lie to B. But Mr S' own email to our Investigator on that case said: *"Regarding my conversation with [B], I do admit, of course to have lied to some questions I was asked."* I appreciate the point that Mr S is making, which is that in essence he would have acted differently to a warning from Wise as the payments from Wise were to third parties and not to his own account.

But I'm not persuaded that is the case, particularly as the evidence of the intervention from B makes clear that they had concerns he was being scammed and provided warnings against this (and Mr S understood this at the time). I also think it's most likely that Mr S would have similarly not disclosed the true reasons for his payments (as he didn't to B) out of fear they wouldn't be processed, which would have impacted the ability of Wise to provide specific and appropriate warnings. So ultimately, I think it's most likely that any warnings or questions from Wise would have ended the same way as those from B did, that being Mr S continuing to make the payments.

I've next gone on to consider Wise's actions once notified that Mr S' payments had been made as the result of a scam. Unfortunately, by that time, the majority of the money had already been moved on as is common in these types of scams. I'm pleased that Mr S was able to receive around £3,200 in funds that Wise recovered. And I don't think Wise fairly and reasonably should have returned more than this amount.

I'm sorry to hear Mr S still has a significant outstanding loss as the result of a cruel scam. But (in the context of this complaint) as I don't think Wise are responsible for this, there isn't a reasonable basis upon which I can require them to do more to resolve this matter.

### **My final decision**

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 March 2024.

Richard Annandale  
**Ombudsman**