

The complaint

Mr S has complained that Wise Payments Limited (“Wise”) failed to protect him from falling victim to an employment-related scam.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mr S says that in October 2023 responded to a job recruitment advertisement he saw on social media as he was interested in opportunity. He contacted the recruiter through a popular messaging application to express his interest and requested more information about the application process. Mr S received a reply from someone (“the scammer”) identifying themselves as the recruiter who asked him to provide a brief introduction, including his name, age, and current job. After supplying the requested details, the scammer confirmed receipt and asked Mr S to verify the accuracy of his personal information. Once Mr S had done this, the scammer provided him with further details about the job role.

The scammer told Mr S the role involved working with a company allegedly contracted by major online shopping platforms. Mr S was told that the job focused on improving merchant reputations by simulating consumer orders to generate product reviews. The process was described as straightforward; Mr S would review 30 assigned product orders each day, and the platform would automatically generate transaction reports and product reviews. In return, he would earn commission, a weekly salary, and bonuses for referrals. Mr S says the role was promoted as flexible, simple, and compatible with his existing commitments, so he agreed to proceed.

Shortly after this Mr S began his tasks. To complete the 30 assigned product reviews he was told he’d need to “charge” his account on the working platform by making payments via Wise. He communicated with the alleged employer through a chat facility on the platform, where he received step-by-step instructions, including the recipients and amounts for the transfers. He was initially required to make a payment of £123 and after completing his allocated tasks Mr S received a reimbursement of the £123, along with £156 in commission. The funds were deposited into a cryptocurrency wallet, and Mr S was able to convert the amount into pounds and withdraw it without issue.

Mr S says the next day he was again assigned 30 tasks and made three payments through Wise totalling £494 that day. After completing the tasks, he was reimbursed the full amount, plus £66 in commission, for a total of £560. This amount was again deposited into his cryptocurrency wallet and successfully withdrawn.

Mr S says the situation began to change after two days as whilst completing the daily tasks, noticed that the assigned product values had significantly increased. As a result, the amounts required to “charge” his account also rose. He was pressured by the platform’s customer service team to find additional funds to complete the tasks, and he was reassured that he would again recover all his payments once he completed the tasks. Between 11 and

30 October 2023 Mr S made a series of payments to try to complete the tasks, borrowing money from family members and persuading his partner to take out a loan for the final payment.

On 30 October 2023 Mr S made a final transfer of £9,080 believing this would allow him to withdraw all the funds he had earned. But instead of being reimbursed, Mr S was met with further excuses from the platform, preventing him from accessing his money. It was at this point that Mr S realised he'd been scammed. He says that he immediately reported the matter to Wise.

The payments Mr S made as part of the scam were as follows:

	Date	Amount	Description
1	11/10/2023	£300	Payment to beneficiary 1
2	11/10/2023	£270	Payment to beneficiary 1
3	11/10/2023	£450	Payment to beneficiary 1
4	11/10/2023	£980	Payment to beneficiary 2
5	11/10/2023	£2,400	Payment to beneficiary 1
6	12/10/2023	£5,221	Payment to beneficiary 2
7	30/10/2023	£9,080	Payment to beneficiary 3
	Total	£18,701	

Mr S made a complaint to Wise on the basis that it failed to protect him from falling victim to the scam. Wise didn't uphold the complaint as it said all of the recipients' accounts were held with Wise, and as they'd been verified there was no reason for it to be suspicious of them. It also said Mr S had previously made payments to two of the recipients who he'd now complained about as being part of the scam. Mr S remained unhappy so he referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained that he thought Wise had done enough – as it asked Mr S for some details when he sent payment six, which Mr S referred to the scammer, who provided a cover story on how Mr S should answer Wise's questions. So he thought Mr S prevented Wise from being able to effectively intervene and uncover the scam.

As Mr S didn't accept the investigator's opinion, the case has been passed to me to make a decision.

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'm sorry to disappoint Mr S but having considered everything I'm afraid I'm not upholding his complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Mr S authorised these payments from leaving his account. It's accepted by all parties that Mr S gave the instructions to Wise and Wise made the payments in line with those instructions, and in line with the terms and conditions of Mr S's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

What did Wise do to intervene?

Mr S's Wise account was opened as part of this scam. So Wise didn't have any prior account history in order to know what would be considered "normal" usage for Mr S.

I can see that for each of payments one to six Mr S made Wise asked him for the purpose of the payments and presented him with a list of options to choose from. Wise has included a copy of the options Mr S would've been presented with and one was "Paying to earn money by working online". But for all six payments Mr S selected the option "Sending money to yourself."

After giving this answer Mr S was asked two further questions. Wise hasn't provided an exact copy of the screen Mr S would've seen but it's provided an extract of its systems, and the questions appear to ask firstly whether the customer is being rushed into making the payments, and secondly whether they've been told they need to transfer their money to a "safe account". Mr S answered "No" to both questions on all six occasions they were asked.

In addition to the on-screen questions, Wise temporarily blocked payment six and sent Mr S an email asking for some further information. Mr S has provided a copy of the email which asks for information on the reason for the transfer, details of the recipient, and information on Mr S's relationship with the recipient.

Mr S says he referred the email to the scammer, and he was told he should tell Wise he was reimbursing a friend for something they'd previously paid for, otherwise the payment would be rejected.

I've seen a copy of the email Mr S sent to Wise and it said: "Please accept this email as confirmation of the following. I am making this transfer because I have borrowed money from a friend over a period of time and I need to pay this money back. My friend has helped me out financially over the past year as I have been struggling with a limited income of part time agency work and relying on support from my parents, my partner and friends."

Following this Wise released the payment.

Did Wise do enough?

Having reviewed the questions Wise asked Mr S, I'm satisfied that the action Wise took for payments one to five was proportionate in the circumstances. Although Wise didn't have an account history for Mr S, the payments were fairly low in value, and Wise asked additional questions and showed Mr S appropriate written warnings in relation to the transfer purpose he gave.

However I'm not persuaded that Wise did enough to protect Mr S from financial harm when he made payment six.

By the time Mr S made this payment he'd requested to send almost £10,000 to new payees within two days. I've taken into account that Wise implemented an additional intervention for payment six, whereby it asked Mr S to respond to its email with further information, but I don't think the intervention should've stopped there.

I say this because I don't think Wise sufficiently interrogated the information Mr S gave it when he responded to its email. Bearing in mind he'd selected the purpose of the transfer as "Sending money to yourself" I think Wise ought to have questioned the legitimacy of the email response it received when it realised it didn't correspond with the payment purpose Mr S had initially given.

Additionally, the payee's name – for all of the transfers including payment six – wasn't Mr S's name. Whilst I wouldn't necessarily have expected Wise to pick up on this for payments one to five where it appears it intervened using a fully automated process, for payment six where there was a human intervention, Wise clearly missed an opportunity.

Would a better intervention have made a difference?

Although I don't think Wise did enough to protect Mr S from the financial harm he's experienced, having carefully thought about the impact this has had on the overall outcome of this case, I'm not persuaded Mr S would've had a more favourable outcome even if Wise had done more.

It's evident that the scenario Mr S found himself in during the scam was completely new to him, and he'd been convinced to trust the scammer and to follow their instructions. This is clear from the fact he referred the email from Wise to the scammer and followed their instructions without question – which were to give false information to Wise – on how to answer the questions.

So even if Wise hadn't released payment six when it received the email from Mr S as there were some discrepancies, I think it would likely have replied by email asking further questions to clarify what Mr S had said and to understand why there was a difference in the information that had been provided. Mr S was in a situation where he'd already parted with a lot of money, and he was desperate to make the payment under the illusion it would lead to him being able to withdraw the money he believed he'd earned. So as he did on the first occasion I think he'd likely have referred any further queries from Wise to the scammer, and he'd have been guided on how to answer Wise's questions whilst raising as little suspicion as possible, to ensure the payment was successfully made.

With all of the above in mind, whilst I don't think Wise did enough to intervene when Mr S made payment six, I'm not persuaded that a better intervention would have been successful at uncovering the scam.

I recognise that Mr S has provided several examples of previous Financial Ombudsman Service decisions that he says bear resemblance to his own complaint, where a different outcome was reached. Whilst I understand how frustrating it will be, all cases have their own individual factors and no two are exactly the same. So whilst I know there will inevitably be similarities between many of the complaints Mr S has seen, especially where a similar type of scam has taken place, I'm afraid that doesn't change the outcome in this case.

Recovery of the funds

Wise says that although Mr S reported the scam on 30 October 2023, its fraud team didn't attempt recovery until 7 November due to 2023 due to its backlog of work. It says it was unable to recover any of Mr S's funds as by that time, the three recipients' accounts had been emptied, so there was nothing left to recover.

Whilst I've kept in mind the fact that this delay could've made the difference between successful and unsuccessful recovery, in this case I'm not persuaded that prevented recovery that would otherwise have been successful.

Wise has provided statements for the three recipients' accounts and it's evident they were operating wider scam, receiving funds fraudulently from many unsuspecting victims at the same time. The funds were rapidly withdrawn from the receiving accounts, sometimes within minutes of receipt, and almost always within an hour. With regard to the final payment, which was made on the same date that Mr S reported the scam to Wise, the full amount (£9,080) was withdrawn from the recipient's account at exactly the same time it was received. So recovery wouldn't have been possible, no matter how quickly Wise had acted.

I'm very sorry that Mr S has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Wise responsible for that.

My final decision

I don't uphold Mr S's complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 February 2025.

Sam Wade
Ombudsman