

The complaint

Mr S is unhappy that Wise Payments Limited ('Wise') won't refund money he lost from a job scam.

What happened

Mr S fell victim to a job scam, where he was convinced to send money from his Wise account to fraudsters under the guise he'd get the money back alongside a higher commission.

He realised he'd been a victim of a scam when he was unable to access the money he'd earned, so he disputed the payments with Wise. It refused to refund him and declined his subsequent complaint. In summary, it said it followed his payment instructions and didn't have a reason to think the payments weren't legitimate at the time they were made.

For reference, I've listed details below of Mr S's outstanding losses from the scam.

Reference	Date	Description
Payment 1	13 January 2024	£60.00 to 'I'
Payment 2	14 January 2024	£350.00 to 'X'
Payment 3	15 January 2024	£980.00 to 'L'
Payment 4	15 January 2024	£3,000.00 to 'M'

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 for these reasons:

- The starting position in law is that Mr S is responsible for payments he made. And Wise has a duty to make the payments he tells it to.
- But, as supported by the terms of the account, that doesn't preclude Wise from making fraud checks before making a payment. And, taking into account regulatory expectations and what I consider to have been good industry practice, I'm satisfied that in January 2024 it should fairly and reasonably have done this in some circumstances.
- I've considered whether Wise ought to have been concerned Mr S was a risk of financial harm in the circumstances of these disputed payments. It doesn't seem he had used this account before, so I'm mindful that Wise didn't have a point of comparison to say the payments looked unusual. And generally, the value of each payment wasn't significant. The four payments also happened over four days – so I don't think the frequency stood out either.
- Taking this all into account, I'm not persuaded there's enough to say the payments

looked particularly uncharacteristic or risky. It follows that I don't consider it remiss that Wise processed the payments in line with the instructions without completing further checks. Afterall, it must balance protecting Mr S from fraud with its corresponding duty to make the payments he tells it to.

- As well as whether Wise ought to have prevented Mr S's losses, I've also considered whether it ought to have done more to recover them. But I note its response to Mr S that by the time he reported the scam, the beneficiaries had already transferred this money externally, something that is unfortunately commonplace in such scams.
- I do appreciate how disappointing this will be for Mr S, who has clearly fallen victim to a horrible scam. But for the reasons I've explained, I don't think his losses can be attributed to something Wise did wrong. So I don't uphold his complaint.

My final decision

For the reasons I've explained, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 October 2024.

Emma Szkolar
Ombudsman