

## The complaint

Mr G has complained that Wise Payments Limited (“Wise”) failed to protect him from falling victim from 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 G has used a professional representative to refer his complaint to this service. For the purposes of my decision, I’ll refer directly to Mr G, but I’d like to reassure Mr G and his representative that I’ve considered everything both parties have said.

In November 2023 Mr G sent four payments from his Wise account to various individuals posing as employees of an alleged company offering Mr G a work opportunity – (“the scammers”). The payments totalled £5,100 which Mr G has requested Wise refund him, along with statutory interest.

Mr G says at the time he was contacted he was had been looking for ways to boost his income and he’d applied for several part-time remote roles. He was contacted by message from someone allegedly working for a recruitment agency, offering him the opportunity of a part-time remote working job where he’d be required to review mobile apps and provide feedback on them in return for commission. Mr G says this didn’t seem particularly unusual as he’d recently posted his CV online. He was given access to a “work platform” where he’d complete the reviews and track his earnings.

Mr G was added to a group chat including other people who were part of the alleged employment opportunity – where he says they regularly spoke about, and shared evidence of, their success in the role. He says the scammer presented the company as working with large multinational brands, and used technical language, which persuaded him the opportunity was genuine.

Mr G explains that he was required to complete three sets of 30 tasks per day, for which he was assigned a “coach” and given training. He says he was initially able to withdraw some small amounts of the commission he’d earned, but before long he discovered that his work account had fallen into a negative balance. He was told the only way he could continue working was to send a payment to bring his account back into credit, to unlock further tasks to complete and to be able to withdraw his commission.

Mr G was advised to open a Wise account as part of the scam; he says he was told this would make it easier to complete the transfers. He was then given details of where to send the payments to, which he says he could see reflected in his work account balance.

The payments Mr G sent were as follows:

Date	Amount
------	--------

16/11/2023	£1,500
18/11/2023	£1,000
19/11/2023	£1,300
19/11/2023	£1,300
<b>Total</b>	<b>£5,100</b>

Mr G says he realised he'd been scammed when he was repeatedly given excuses as to why he was unable to withdraw his earnings.

Mr G made a complaint to Wise. He said that Wise had failed to protect him from the financial harm that he's faced by failing to show him any warnings or make any enquiries about the payments he made. He says the scam has not only affected him financially, but it has also affected his mental health.

Mr G remained unhappy so he referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. She explained that she couldn't hold Wise responsible for what Mr G had lost as Mr G hadn't given Wise accurate answers when it asked for the purpose of the payments – so the warnings Wise showed weren't relevant.

As Mr G 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 G 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 G authorised these payments from leaving his account. It's accepted by all parties that Mr G 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 G'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.

In the complaint Mr G said to Wise "Had you had impactfully intervened you could have broken the spell of the scammer, however as you failed to do so your customer is now suffering the financial harm from fraud". So the first thing I've done is considered whether Wise did in fact intervene. And I've then considered how Wise's action, or inaction, affected the outcome for Mr G.

Having considered everything, I'm afraid I haven't seen enough to support Mr G's assertion that Wise didn't intervene or provide any warnings. I've seen that on all four separate occasions Wise asked Mr G for the purpose of the payment and presented him with a list of options to choose from. For each payment Mr G selected that he was "paying friends or family" from the list.

Following this, Wise showed Mr G a series of warning screens related to the risks associated with making payments to friends or family. Mr G was required to choose whether to “Continue to payment” or “Cancel this transfer” and on all four occasions he chose to continue. The payments were then made in line with Mr G’s instructions.

I’ve reviewed the possible options that Mr G could’ve selected from as a purpose for the transfer, and I note one of them was “Paying to earn money by working online”. Had Mr G selected this option, which more closely resembles the actual reason he was making the payments, Mr G would’ve seen specifically tailored warning messages related to this type of payment – which is well-known to be a scam – and this would’ve allowed Wise to understand the level of risk involved. So although I appreciate Mr G may’ve been “under the spell” of the scammers, he didn’t give Wise the opportunity to break that spell by giving it inaccurate information when it asked about the purpose of the payments.

For this reason, I don’t hold Wise responsible for the losses Mr G has unfortunately made as a result of this scam. I agree that the number of payments in rapid succession could’ve been deemed unusual, especially as Mr G’s account was new, but Wise needs to balance the way it intervenes with what’s practical, and what doesn’t unnecessarily inconvenience customers. Wise’s intervention of showing a tailored written warning was a proportionate way to ensure Mr G was aware of the risks, and for him to decide not to make the payments if he chose to, whilst still ensuring the payments were made promptly. And I can’t hold Wise accountable for Mr G giving it incorrect information, which ultimately led to an ineffective intervention.

I’ve also thought about whether Mr G did enough to satisfy himself that the job opportunity he was allegedly sending money to take part in was genuine and wouldn’t result in him losing that money.

I accept that Mr G had recently posted his CV online as he’d been looking for work, but it’s very unusual for a recruiter to contact a prospective candidate and offer them a job through a messaging app, without having ever spoken to them. I’m also not aware that Mr G received any kind of paperwork or employment contract showing what he thought he’d been offered, or what he’d agreed to do in return. This, as well as having to pay to earn money in return, isn’t a plausible scenario.

### Recovery of the funds

Wise says that Mr G didn’t report the scam, so it didn’t know about it until Mr G made his complaint over a month after it happened. It said that at that point no funds remained in the recipients’ accounts so it wasn’t able to recover anything to return to Mr G.

I’m very sorry that Mr G 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 G’s complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr G to accept or reject my decision before 6 November 2024.

Sam Wade  
**Ombudsman**

