

The complaint

Miss V complains that Wise Payments Limited (“Wise”) won’t refund the money she lost as a result of a scam.

Miss V has been represented in her complaint by a firm of solicitors.

What happened

The background to this complaint is well known to both parties, so I’ll simply summarise it here.

In brief, Miss V received a WhatsApp message from someone who claimed to be a recruiter. The message concerned an opportunity for a task-based job which involved reviewing products. She was told she could do the job from home, and would earn a set amount plus commission for working given numbers of consecutive days.

Miss V decided to take the job. She was told she’d need to make payments from her account with Wise before she could complete the tasks. In all, Miss V made the following payments to the scam. Each payment was to a different named individual.

	Date	Time	Payee	Amount
1	27 July 2023	14:08	Payee 1	£20.00
2	31 July 2023	14:06	Payee 2	£923.16
3	31 July 2023	15:19	Payee 3	£2,048.00
4	31 July 2023	17:08	Payee 4	£1,823.00
5	31 July 2023	17:24	Payee 5	£1,823.00
Total				£6,637.16

Miss V’s representatives say that the individual payees were merchants on a cryptocurrency exchange platform. They say that once she’d bought the cryptocurrency, Miss V was instructed to transfer it to payees nominated by the company, and that this would show on her account on the company’s platform. Miss V’s told us she withdrew £36.96 from the company’s platform. But she says that when she wanted to withdraw more money, she was told she’d need to make a final payment of £7,000, and it was at this point that she realised she’d fallen victim to a scam.

Wise has provided evidence that its anti-fraud systems flagged payments 2 and 4. In both those cases Miss V was asked to confirm the purpose of the payment, and in each case she selected “paying to earn money by working online”. Wise has provided a screenshot of the warning Miss V would have been shown. It said that new types of scams happen all the time, and it’s hard to get money back once it’s sent. And it said “*So, while your answers don’t*

suggest this is a common scam, talk to someone you trust first. A second opinion can help you send safely". In both cases, Miss V decided to continue with the payment.

Miss V believes, in summary, that Wise should have realised that she was at risk of financial harm from making the payments, and should have intervened to prevent her from losing the money.

One of our investigators considered the complaint. In summary, she didn't think Wise should be held responsible for Miss V's loss, but she recommended that it pay Miss V £75 compensation for confusion and delays in dealing with her complaint.

Miss V didn't agree with the investigator's view, so the complaint's been 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.

In deciding what's fair and reasonable, I'm required to take into account relevant law and regulations, regulators' rules, guidance, standards and codes of practice and, where appropriate, what I consider to have been good industry practice at the time.

It's not in dispute that Miss V has fallen victim to a cruel scam, and I was very sorry to hear about it. But I can only require Wise to refund the money she lost if I'm satisfied that it didn't do what it could reasonably have been expected to do to prevent the loss, or that it would be fair to require it to refund the money because of something else it did wrong.

Wise is an electronic money institution (EMI) and not a bank. This means it's not subject to the same expectations as a bank under the relevant guidance and regulations, when it comes to fraud prevention.

It's common ground that the payments made to the scam were 'authorised'. Miss V made the payments herself. So, even though she didn't intend them to go to a fraudster, the payments were 'authorised' under the Payment Services Regulations. Wise had an obligation to follow the payment instructions it received, and Miss V is presumed liable for her loss in the first instance.

But that's not the end of the story. Taking into account the relevant law, regulatory rules, guidance, codes of practice and good industry practice, there are circumstances where it might be appropriate for a bank or money transfer platform like Wise to take additional steps, or make additional checks, before processing a payment, to help protect its customer from the possibility of financial harm from fraud. So I've thought about whether Wise acted fairly and reasonably in its dealings with Miss V when she made the payments.

Miss V had held her Wise account for a few years when she fell victim to the scam. She hadn't used the account much in the year before she made the payments to the scam, but before that, large payments from the account weren't unusual. The payments Miss V made to the scam were relatively low in value (even though I appreciate they were a lot of money to Miss V) and they didn't fit a pattern that was typical of common scams.

I acknowledge that the payments were made quite close together. But they were to five different payees, and I don't consider that Wise would have had any reason to think there was a link between the payments. Nor do I consider that there was anything, when Miss V made the payments, which ought to have alerted Wise to the fact that they would subsequently be converted into cryptocurrency, as Miss V's representatives say they were.

And each payment was preceded by a payment of similar value into Miss V's Wise account from her account at another bank. So they had no material effect on her balance.

EMIs such as Wise are generally expected to assist their customers in recovering funds lost to a scam. Miss V's representatives have mentioned that the payments were used to buy cryptocurrency in the "peer to peer" market. The individual payees used the money to buy genuine cryptocurrency on Miss V's behalf, and it was then sent on to the scammer. That being the case, I can't see any way in which Wise could have recovered the money.

I realise that my decision will come as a disappointment to Miss V. I sympathise with her, and don't underestimate the effect that falling victim to a scam will have had on her. But for the reasons I've set out, I don't consider that I can fairly require Wise to do more than pay her the £75 it's now agreed to pay.

My final decision

My decision is that I uphold this complaint in part. I require Wise Payments Limited to pay Miss V £75, as it has agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss V to accept or reject my decision before 1 July 2025.

Juliet Collins
Ombudsman