

The complaint

X has complained that Wise Payments Limited won't refund the money she lost after falling victim to a scam.

What happened

X was contacted by scammers posing as employers. They hired her for a fake job, then told her she'd lost money and she needed to pay them. They persuaded X to pay them around £3,400, made from her Wise account to various payees.

X later realised she'd been scammed, and reported this to Wise. Wise were able to recover around £90, but not more. Wise didn't think they were otherwise liable for the loss.

Our Investigator looked into things independently and didn't uphold the complaint. X didn't agree, so the complaint's been passed to me to decide.

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 understand that X fell victim to a scam, and so she has my sympathy. I appreciate this can't have been an easy time for her, and I appreciate why she feels that her money should be returned. It's worth keeping in mind that it's the scammers who are primarily responsible for what happened, and who really owe X her money back. But I can only look at what Wise are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Wise liable for X's loss. I'll explain why.

It's not in dispute that X authorised the payments involved. So although she didn't intend for the money to go to scammers, under the Payment Services Regulations she is liable for the loss in the first instance. And broadly speaking, Wise had an obligation to follow her instructions – the starting position in law is that e-money firms are expected to process payments which a customer authorises them to make.

Wise should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I can see that Wise did show X warnings when she made the payments, relevant to the reason she selected. But I've thought carefully about whether Wise should have done more in X's case.

However, I don't think the payments involved were so unusual that Wise needed to intervene. While I acknowledge this was a substantial amount for X to lose, the payments were not so large as to stand out as being remarkable for Wise. X had only opened her account shortly beforehand, so there was little payment history for Wise to go off, and her payments were fairly normal for how this type of account is supposed to be used. The payments went to various people and didn't follow any particular pattern consistent with a scam. X didn't speak to anyone at Wise directly, so Wise didn't miss an opportunity to identify something was wrong during a conversation. And there was nothing else about the payments which should've caused them to intervene.

I do acknowledge that X tried to open an account with another business as part of the scam, and they realised she was being scammed. As this case is against Wise, and not that other business, I can't say for certain what happened with them or what tipped them off. But I've not found that Wise were made aware of anything which required them to intervene with X or to block the account.

Next, I've considered what Wise did to try to recover X's money after she told Wise about the scam. Unfortunately, X only contacted Wise five days after the payments finished. And it's a common tactic for scammers to move on the money as quickly as possible, before the victim realises what happened. So Wise were only able to recover a bit over £90. It wasn't possible for Wise to recover funds which had already been sent on.

X said Wise never paid her remaining balance to her, of around £20. But while I can see where the misunderstanding might've come from, Wise did pay out her remaining balance. The £115.33 X received was made up of the £90 or so which Wise recovered for her, plus her remaining balance.

Finally, X said she felt like she was being blamed. To be clear, we are not blaming X – the scam is the scammers' fault more than anyone else's, and X very much has my sympathy. But this case is against Wise, not the scammers. I've explained above why I've not found that Wise are liable for the loss in this particular case.

So while I'm very sorry to hear about what happened to X, I don't think Wise can fairly be held responsible for her loss. And so I can't fairly tell Wise to refund X's money in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 12 February 2025.

Adam Charles
Ombudsman