

The complaint

Miss B complains that Western Union Payment Services GB Limited (WU) won't refund the money she lost as the result of an authorised push payment (APP) scam.

What happened

As the parties are familiar with the details of the scam, I won't repeat them here in full. In summary, Miss B fell victim to a scam and sent the international payments via WU as set out below. She paid a transfer fee of £4.90 each time. This was based on the instructions of someone she believed was a friend that needed help funding a construction project.

payment	date	value, £	recipient
1	01/04/2024	1,000	person a
2	01/04/2024	1,000	person b
3	02/04/2024	1,000	person b
4	02/04/2024	1,000	person a
5	05/04/2024	1,200	person a
6	05/04/2024	1,000	person b
7	05/04/2025	1,000	person c

Miss B believed the friend would return her funds once the project was completed. When she did not hear back from them, she realised she had been scammed.

Miss B says WU did not do enough to protect her money, it should make sure people using its service are not criminals. WU says the money was collected overseas by the intended recipients, in line with the details Miss B supplied. The recipients all provided the required details, including valid identification documents. It showed a scam warning when Miss B sent the money, though she did not select the accurate payment purpose.

Our investigator did not uphold Miss B's complaint. He did not find WU ought to have intervened when processing the payments.

Miss B disagreed and asked for an ombudsman's review. She said WU should have carried out more checks at the overseas branch before releasing the money to these scammers. It is a big company and should have better processes and training in its branches. Miss B also sent in the documents the scammer sent her confirming which materials he had bought and the shipping details.

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 in all the circumstances of a complaint, I'm required to take into account relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry

practice at the time.

The critical issue here is to determine whether WU should have done more to prevent Miss B's losses. It is important to keep in mind that this means I am reviewing the acts and/or omissions of WU and not what the scammer did. It is not in dispute that Miss B fell victim to a cruel scam, and I am sorry she had had to go through this, but we only have the powers to investigate the role of financial business and not the crime itself.

I'm sorry to disappoint Miss B but I'm not upholding her complaint. I'll explain why.

In broad terms, the starting position at law is that a money transfer/payment service provider (in this case, WU) is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of their account.

It is the case that Miss B authorised the payments in dispute and that's accepted by all parties. And under the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Miss B is responsible for the payments. That remains the case even though she was the unfortunate victim of a scam. However, it doesn't end there.

There are times when, dependent on the payment, that I might expect a payment service provider to pause and investigate, even though it may have been properly authorised. Broadly speaking, firms like WU have certain obligations to protect customers from fraud.

So in this case, I need to decide whether WU acted fairly and reasonably in its dealings with Miss B when she made the payments, or whether it should have done more than it did.

I've thought about this carefully. And in doing so, it is important to take into consideration the purpose that customers use payment service providers such as WU for. The primary purpose is to send payments, often in a particular currency, to people in other countries. Payments are typically for friends and family members and payments can range in value and frequency.

When Miss B made these payments, I can't fairly say that there was anything unusual or suspicious about the pattern of the payments or the amounts that reasonably ought to have alerted WU to the possibility Miss B was potentially at risk of financial harm. So I would not have expected WU to have concerns and step in and question Miss B further about the payments.

It is also important to note that payment service providers such as WU aren't a bank or building society where there is an ongoing relationship and an established pattern of account activity that enables the monitoring of accounts to detect and prevent the risk of financial harm. This can make it inherently more difficult for a business such as WU to identify that a customer is at risk of financial harm where there isn't a lot of historic usage.

Here, there wasn't a historic relationship between the parties and WU didn't have a history of payments, or account usage to refer to in determining whether the payments being made by Miss B could be classed as unusual or out of character. The only history it had was the payments Miss B made as a result of the scam. Whilst of high value to Miss B, they were not of such a value in the context of the transactions WU sees each day that they would have appeared remarkable to WU. There was no trend of payments starting low and increasing in value rapidly as is typical in many scams. So, there was nothing to suggest to WU that Miss B was at risk of financial harm.

This means I wouldn't have expected them to intervene and question Miss B about the payments. I am aware WU did in fact request that she selected a purpose for each payment. She selected 'family support/living expenses' which is inaccurate. Written warnings were given based on the option she selected (there were ten other options not just this one, as Miss B said). WU advised against sending money unless it genuinely was to friends, they specifically warned her not to send money to someone she did not know in person. As Miss B misled WU about the purpose of the payment I think even if there had been a reason for it to contact her directly it would have been unlikely to break the spell of the scam. On balance I think it's most likely Miss B would have continued not to disclose the real reason she was making the payments. But I need not comment on this further as I have found no intervention was needed.

Miss B also raised that the WU branch overseas needed to do more before releasing the money – but it followed its standard process, checking the recipients' details and asking for proof of identification, so I cannot find it treated Miss B unfairly in this regard. It was following her instructions to give the money to these people.

I have also considered if it did what we would expect to try to recover the money once Miss B reported the scam. I cannot see it was made aware of her loss until she complained in November 2024. By this stage, as she knows, the funds had been collected as cash by the recipients (the last withdrawal was on 6 April 2024) so there was no reasonable prospect of WU being able to recover and return her money.

It follows I am not instructing WU to refund any money to Miss B. I'm sorry she lost a considerable amount of money which was very distressing for her. I can understand why she would like to be compensated for her losses. And I do accept Miss B has fallen victim to a sophisticated scam. But I can only consider whether WU which had no involvement in the scam itself, should be held responsible for what happened. For the reasons set out above I do not find it can be held liable in the circumstances of this case.

My final decision

I am not upholding Miss B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 22 October 2025.

Rebecca Connelley
Ombudsman