

The complaint

Ms R complains that Wise Payments Limited didn't do enough to protect her from financial harm when she fell victim to an employment scam. She wants the money she lost refunded along with 8% statutory interest, and compensation for the distress and inconvenience she has been caused.

What happened

Ms R said that she was contacted by an individual claiming to be from a recruitment agency asking if she was interested in a flexible work-from-home role. Ms R expressed an interest and was told that she could expect to earn regular and frequent commission payouts for undertaking certain tasks. She was told no experience was needed and she just needed access to a mobile phone or computer with internet access. She said she was recommended to open an account with Wise for the job. Ms R was initially provided with a trial account and then was required to buy review packages for her to complete her tasks. Ms R made four transactions as set out below.

Transaction	Date	Payment to	Amount (£)
1	12 February 2024	Individual A	£1,609.49
2	12 February 2024	Individual B	£2,128.49
3	13 February 2024	Individual C	£1,937.56
4	14 February 2024	Individual D	£1,414.40
Total			£7,089.94

Ms R said that she completed tasks and would come across 'combination tasks' which would reduce her balance to zero and she would need to top up her account to complete the order. She said she did this but then was unable to clear the amount needed to complete the combination task and requested to withdraw her funds. At this point she became aware that she had been a victim of fraud. Ms R said that at no point did Wise intervene in her payments even though this was a newly set up account with payments being made in quick succession to new payees. She said that had she been asked probing questions about the payments she would have heeded the warnings, and the scam would have been identified.

Wise issued a final response dated 1 October 2024. It said that it verified the receiving accounts in line with the requirements and was not aware that the payments were part of a scam at the time and had no reason to believe they weren't legitimate payments. It said that Ms R was warned of the risk of a scam when the payments were set up and Ms R said that each payment was for goods and services.

Ms R referred her complaint to this service.

Our investigator didn't uphold this complaint. They noted that Ms R opened the Wise account on 9 February 2024, with the purpose given as '*general living expenses*' and that she said the four payments were for '*goods and services*'. They noted the payments were made to four different payees which made the identification of the scam harder and didn't think the value nor timing of the payments was such that intervention should have happened.

Our investigator noted that Wise had provided warnings when Ms R was making the payments and that it asked her the payment reason for three of the four payments. Ms R said the purpose was '*goods and services*'. She acknowledged the messages, and clicked continue to payment. Our investigator didn't think that based on the information provided Wise should have been reasonably aware that Ms R was being scammed.

Our investigator noted the comment made about Anti-Money laundering regulations and said that the payments were all made to Wise account holders with no concerns raised at the time. They were persuaded that the action Wise took at the time was proportionate to the risk associated with the payments and they were satisfied that Wise did what it could to recover Ms R's money once it was aware of the fraud. Unfortunately, this wasn't successful.

Ms R didn't agree with our investigator's view. She said that the payments in dispute were substantial and occurred within a short period and while Wise did issue warnings; these were generic and did not sufficiently highlight the risks. She said the payments showed a pattern suggesting a scam and that Wise should have done more to protect her and thought a more proactive approach could have prevented her loss. She said other similar cases had been upheld and Wise should be held to the same standards.

As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue 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 am sorry to hear of the experience Ms R has had. I accept she has lost money due to a scam and I do not underestimate the financial and emotional impact this will have had. I note her comments about other fraud cases being upheld but we treat each case based on its individual merits. While I take all relevant rules, regulations and guidance into account, my decision is based on what I consider a fair and reasonable outcome given the unique circumstances of the complaint.

Wise is an Electronic Money Institution (EMI) and in accordance with the Payment Services Regulations 2017, it is expected to process payments and withdrawals that a customer authorises it to make. It is accepted that Ms R authorised the four payments she is disputing and so the starting point is that Wise was required to make these.

That said, firms should fairly and reasonably have systems in place to look out for out of character or unusual transactions, or other signs that might indicate that its customers are at risk of fraud.

Ms R set up the account with Wise on 9 February 2024. The account purpose was recorded as '*general living expenses*'. As the account had only recently been set up, there was no account history for Wise to compare Ms R's transactions with. However, it was still required to be alert to signs that might suggest she was a possible victim of a fraud.

I have looked through the transactions Ms R made. While there were two transactions made

on 12 February 2024, these were a few hours apart and were to different individuals. I don't think the value of each transaction was high enough to have required intervention and I do not think the transactions at this point suggested a pattern that should have been of concern. That said, Wise did ask Ms R to confirm the purpose of the transactions, and she recorded this as '*goods and services*'. This aligned with her account purpose being for general expenses and so I do not find this should have been of concern to Wise. Based on the declared purpose of the transaction Ms R was given a warning about the possibility of a scam and to ensure she had carried out independent checks on the recipient. While I note Ms R's comment that the warning was generic, given the reasons she had given for the transactions, I find the warning was a reasonable intervention and provided Ms R with a chance to stop and consider the payments before completing them.

Ms R then made a third payment from her account on 13 February. This was the only transaction that day and was for a slightly lower amount than the previous transaction. The payment was made to what appeared to be an American company (rather than individuals like the previous two transactions) and given the nature of Wise accounts (international payments), I do not find this transaction should have raised concerns that Ms R was at risk of financial harm.

Ms R made a fourth payment from her Wise account on 14 February 2024. This was the smallest of the four payments (although not a dissimilar amount) and so I cannot say there was an escalation of the payments occurring. Again, she was asked about the purpose of the transaction and she said it was for '*goods and services*' and the warning issued was based on this. While this was the fourth transaction within three days, noting the value of each transaction and that they were going to different payees, I do not think that Wise was required to take further action, such as a human intervention, at this stage. A balance needs to be struck between the duty of Wise to make payments in line with its customer's instructions versus the need to protect customers against potential fraud. In this case, noting the payments were made to Wise customer accounts that had no red flags or issues recorded and given the other information available, I do not think this was such that further intervention (beyond the warnings provided) was needed.

I have then considered whether Wise did enough to try to recover the money once it had been made aware of the fraud. While the payments were made in February 2024, Ms R didn't contact Wise about this and it wasn't until Wise was contacted by a representative firm acting on behalf of Ms R in September 2024, that it was made aware of the issue. I have looked through the account statements that have been provided from the recipients of the funds from Ms R and these show the funds being moved shortly after they were received and the account balances being zero, months before the issue was reported. Therefore, I do not find I can say that Wise could have done more to recover the funds.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 10 July 2025.

Jane Archer
Ombudsman