

The complaint

Mr I complains that Wise Payments Limited, trading as Wise, won't refund a payment he's made as part of a scam.

What happened

Mr I fell victim to a job scam, where he believed he was working for a legitimate business, which I'll call E.

As part of the job scam Mr I was persuaded to open an account with Wise. Mr I transferred money in from another financial business to Wise and then on to three different payees. Mr I believed by making payments to these recipients he'd earn commission on his funds.

Over a period of two days Mr I sent just over £5,850, most of the payments coming on 14 November 2023.

Mr I raised a complaint with Wise, but Wise didn't think they'd made a mistake in allowing the payments to be processed without intervention. They explained that they carried out the transfers as directed and therefore couldn't refund them.

Mr I wasn't happy with Wise's response so brought his complaint to our service.

On the complaint being brought to our service Wise revised their outcome. Wise explained they should have intervened prior to the payment of £3,210. But they also thought that Mr I should have identified that he was subject to a scam. They argued that payments of funds to recruiters and private individuals should have raised 'red flags' for Mr I and he should take some responsibility for falling victim to the scam. They offered to refund half of the payments from payment eight onwards, a total of £1,630 plus 8% interest.

But Mr I rejected the offer and asked our Investigator to review the complaint.

On reviewing everything our Investigator thought Wise should have intervened earlier than the payment of £3,210. They thought that Wise should have identified the payment of £1,150 as potentially suspicious, as it was slightly higher in value than previous payments and the fifth payment to the same payee within two days. They explained if Wise had intervened via a better automated warning to Mr I he likely would have realised he was being scammed. Our Investigator recommended Wise refund the last three payments, totalling £4,410, plus 8% interest.

Mr I agreed, but Wise didn't. They thought Mr I was negligent in his actions. They said:

- Mr I was introduced to the 'job opportunity' through a social media provider which doesn't seem like a professional route for a legitimate job offer. He also wasn't provided with a formal contract outlining his expected earnings. And this should have raised some doubts about the legitimacy of the 'opportunity'.
- Mr I was asked to pay money upfront which should have raised immediate concerns

and prompted him to do more research. If Mr I had carried out an online search he'd have seen warnings regarding this type of scam. And if he'd reviewed E's genuine website, he'd have seen all job openings are publicly listed.

Wise argued that Mr I should be held partially responsible for the payments, and the compensation reduced by 50%.

As Wise didn't accept our Investigator's outcome the case was passed to me to decide. On reviewing Mr I's case I reached a slightly different conclusion to our Investigator. In summary I thought that Mr I should be held partially responsible for the payments, and I reduced his compensation by 50%. I advised I was planning to ask Wise to pay Mr I £2,205 plus 8% interest.

Wise accepted my provisional decision but Mr I didn't agree. In summary he said he's disappointed with the outcome, and he'd like the ombudsman to reconsider their conclusion and where Wise should have identified he was being scammed. Mr I argued that everything he was told by the scammers and could see made him believe the scam was legitimate. And he'd spoken with Wise and they told him the payments were legitimate and not of concern.

As Mr I didn't agree I've proceeded to reconsider my findings below.

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 my Provisional Decision I said:

Wise have accepted that they should have intervened on the payments Mr I made to the fraudsters. But they believe Mr I should take some responsibility for failing to carry out sufficient due diligence, and the compensation reduced by 50%. So I've focused my conclusions on this.

I've thought about whether Mr I should bear any responsibility for his loss connected to the last three payments. In doing so, I've considered what the law says about contributory negligence, as well as what I consider to be fair and reasonable in all of the circumstances of this complaint.

I recognise that there were relatively sophisticated aspects to this scam, not least a platform, which was used to access and manage the user's apparent earnings and tasks. And I accept the fraudsters pretended to be from a genuine company. I imagine this would have given some validation to the scheme.

But, overall the scam appears to have been fairly implausible. Although I haven't seen everything that Mr I was provided with, including most of the conversations between Mr I and the fraudsters, Mr I's explanation of what he was told about how the scheme worked and why he needed to pay funds into the platform are confusing. I'm also aware that Mr I wasn't provided with a contract, which considering the fraudster's claimed to be working for a legitimate company – E – I think should have reasonably raised concern.

I think Mr I ought reasonably to have questioned whether the activity he was tasked with carrying out (which does not appear to be particularly time-consuming or arduous) could really be capable of generating the returns promised. I recognise that the scam operates on a cruel mechanism – always making the victim believe that one final payment will lead to the funds being released. But, given the overall implausibility of the scam I think he ought to

have realised that the scheme wasn't genuine before making the final three payments. And therefore, he should bear some responsibility for his losses.

I've concluded, on balance, that it would be fair to reduce the amount Wise pays Mr I in relation to the last three payments because of his role in what happened. Weighing the fault that I've found on both sides, I think a fair deduction is 50%.

Wise have now accepted that they should have intervened prior to the payment of £1,150. This means they are liable for a total of £4,410. Due to my conclusion that Mr I should bear some responsibility for his losses I'll be reducing this compensation to £2,205 plus 8% interest.

Could Wise have done more to recover his money?

Mr I's payments were made to three different payees, all who have accounts with Wise. I understand that by the time Mr I contacted Wise to raise a complaint all the funds had left the three accounts. For this reason I'm satisfied that Wise did what I expected in trying to recover the funds.

Wise accepted my provisional decision but Mr I didn't agree.

I've considered whether I think Wise should have intervened earlier than the £1,150 payment. But I'm afraid having done so I can't say the payments prior to the £1,150 were suspicious enough for me to say Wise should have identified that Mr I might be at risk of financial harm.

I've considered what Mr I's said about the persuasiveness of the scam – however I remain of the opinion, as outlined in my provisional decision, that Mr I ought reasonably to have questioned whether the activity he was tasked with carrying out could really be capable of generating the returns promised.

Mr I also argued that he was told by Wise that the payments were legitimate. I've seen a full contact history from Wise, and I'm satisfied from the contact notes shared the first communications Mr I had with them regarding the scam took place *after* the scam payments were made. For this reason, I can't fairly conclude Mr I was told by Wise that the payments were legitimate, nor that this means he shouldn't bear some responsibility for his losses.

Putting things right

For the reasons outlined above I'm satisfied Wise should have intervened prior to the payment of £1,150. Which means they are liable for a total of £4,410. However, as I've concluded that Mr I should bear some responsibility for his losses I'll be reducing this compensation to £2,205 plus 8% interest from the date of the payments to the date of repayment.

My final decision

My final decision is I partially uphold Mr I's complaint and direct Wise Payments Ltd, trading as Wise, to:

- Pay Mr I £2,205 plus 8% interest from 14 November 2023 to the date of repayment*

**If Wise Payments Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mr I how much it's taken off. It should also give Mr I a tax deduction certificate if he asks for one, so he can reclaim the tax from HM*

Revenue & Customs if appropriate.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 13 May 2026.

Jeff Burch
Ombudsman