

The complaint

Mrs A has complained that Wise Payments Limited (“Wise”) failed to protect her from falling victim to an employment-related impersonation scam, and it hasn’t refunded the money that she lost.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Mrs A explains that around January 2024 she was looking for a job online and she saw something which interested her so she left her contact details and requested a call back. In response to her enquiry Mrs A was contacted by an individual (“the scammer”) on a popular messaging application offering her the role. Mrs A expressed an interest in the role and says the scammer explained that the job involved completing tasks on a mobile app in return for a salary of £800 per month, plus commission. Mrs A says she researched the company and she was satisfied it was genuine based on its website.

Mrs A explains that she was directed to open a Wise account as her payments would be faster, which she did. She explains she was told she’d need to complete a set number of tasks per day and she was given access to the “work app” to do the tasks.

Mrs A says that she received two payments in relation to the work she’d completed. She also says that when her account in the work app fell into a negative balance, she needed to send a payment to clear this before she could continue working.

The payments Mrs A sent and received are as follows:

Date	Amount
16/01/2024	- £50
16/01/2024	+ £49.60
17/01/2024	- £500
18/01/2024	+ £628.80
19/01/2024	- £1,200
19/01/2024	- £2,500
Total loss	£3,571.60

Mrs A explains she realised she’d been scammed when her balance fell into a negative position on more than one occasion. She was removed from the messaging group and had her access to the work platform disabled. Mrs A made a complaint to Wise about the money she’d lost, but Wise didn’t uphold the complaint.

Mrs A remained unhappy so she referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained that he didn't think the payments in question were extraordinary enough that Wise missed an opportunity to spot that they were suspicious and intervene. So he didn't think Wise was responsible for Mrs A's losses.

As Mrs A didn't accept the investigator's opinion, the case has been passed to me to make 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'm sorry to disappoint Mrs A but having considered everything I'm afraid I'm not upholding her complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Mrs A authorised these payments from leaving her account. It's accepted by all parties that Mrs A gave the instructions to Wise and Wise made the payments in line with those instructions, and in line with the terms and conditions of Mrs A's account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

Having considered everything, I don't think Wise ought to have done more to warn Mrs A or prevent the scam from taking place.

I say this because it appears that Mrs A opened the account with the sole purpose of completing these specific payments, which tends to be the way in which Wise accounts are used. Whilst that doesn't mean she's responsible for what happened, it does mean that Wise didn't have any account history for Mrs A in order to fully understand the picture of how she'd typically use her account. Wise needs to strike a balance between protecting its customers from financial harm, and not unnecessarily disrupting their activities, and in this case, I think it was reasonable for Wise to complete the payment instructions without any intervention.

I say this because the payments in question were fairly unremarkable in size, and made to different payees, which isn't entirely typical of a scam. I do bear in mind that the payments increased in size, but this took place over a number of days, to different payees, so I again don't think Wise should've had reason to suspect Mrs A was at risk of harm, so I don't think it acted unfairly by allowing the payments to be made without taking any further action.

I accept that Mrs A had previously been looking for work and requested a call, so she thought the contact she received via the messaging app wasn't out of line. But it's very unusual for a recruiter to contact a prospective candidate and offer them a job through a messaging app, without having spoken to them. I'm also not aware that Mrs A received any kind of paperwork or employment contract showing what she thought she'd been offered, or what she'd agreed to do in return. This, as well as having to pay to earn money in return, isn't a plausible scenario. So although I agree that Mrs A is the victim here, I do think she could've done more to protect herself from the financial harm she's experienced.

Recovery of the funds

Wise told Mrs A it was unfortunately unable to recover the funds from the recipients' accounts when it was made aware of the scam as they'd already been withdrawn. Funds that are fraudulently obtained in this way are typically withdrawn very quickly, as seems to be the case here. So although Wise acted quickly to recover the funds, it wasn't successful, but I don't hold Wise at fault for that.

Wise has closed Mrs A's account, but it says it holds a small balance for her. It has requested Mrs A contacts it to arrange a return of this balance.

I'm very sorry that Mrs A has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Wise responsible for that.

My final decision

I don't uphold Mrs A's complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 24 October 2024.

Sam Wade
Ombudsman