

The complaint

Mr T has complained that Wise Payments Limited (“Wise”) failed in its duty to protect him from an employment-related scam.

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.

In July 2023 Mr T sent 11 payments from his Wise account to various individuals posing as employees of an alleged company offering Mr T a work opportunity – (“the scammers”). The payments totalled £8,356 which Mr T has requested Wise refund him, along with statutory interest and a £300 compensatory payment.

Mr T says he had been looking for extra income to supplement the income from his day-to-day job and had applied for several jobs online. He was contacted by message offering him the opportunity of a part-time remote working job where Mr T would be required to review hotels and provide feedback. He was given access to a “work platform” where he’d complete the reviews and track his earnings.

Mr T was added to a group chat including other people who were part of the alleged employment opportunity. He was also directed to open a Wise account to withdraw his earnings, which he did.

Mr T explains that the payments he made to the scammers were an attempt to assist him in reaching his target of completing 66 reviews per day, as well as to aid him in withdrawing the profits he’d earned through working and allegedly investing the money he’d earned.

The payments Mr T made were as follows:

	Date	Amount
1.	27/07/2023	£51
2.	28/07/2023	£55
3.	28/07/2023	£40
4.	29/07/2023	£60
5.	29/07/2023	£160
6.	29/07/2023	£50
7.	30/07/2023	£190
8.	30/07/2023	£550
9.	30/07/2023	£1,430
10.	30/07/2023	£3,220
11.	30/07/2023	£2,550
	Total	£8356.00

After making the 11 payments from his Wise account, Mr T was directed to make more payments from a different bank account in order to withdraw his earnings. He was then told there was an issue with the system, and he'd have to pay again to unlock his profits. It was at that point that Mr T says he realised he'd been scammed.

Mr T made a complaint to Wise on the basis that it had failed to provide effective warnings that would've prevented him from experiencing the financial harm that he did. He says if he'd been warned that the employment opportunity was a scam, he'd have followed Wise's advice and not made the payments. He's also said that the pattern of activity was suspicious, as he made 11 transactions within a matter of days, to new payees, and Wise should've realised this.

Wise didn't uphold Mr T's complaint. It said that it provided warnings when Mr T made the payments, but as he'd selected the incorrect purpose for them, the warnings weren't tailored to the specific circumstances Mr T was in.

Mr T remained unhappy so he referred the complaint to this service. In summary, Mr T said he'd expect more of an intervention than the warning that Wise showed him.

Our investigator considered everything and didn't think the complaint should be upheld. He agreed that Mr T had selected the incorrect purpose when making the payments to the scammers. He said that as a result, Mr T was shown warnings related to sending money to family and friends, as opposed to much more specific warnings about employment scams, which would've likely been effective.

As Mr T 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 Mr T but having considered everything I'm afraid I'm not upholding his complaint, broadly for the same reasons as our investigator, which I've set out below.

Each time Mr T made a payment Wise showed him a scam-related warning.

Wise has provided screen shots of the warnings it showed. The first page of the warning gives a general "Protect yourself from scams" warning – and asked Mr T to confirm the purpose of the payment. In response to this Mr T told Wise he was sending money to "friends and family" and he was then shown a second warning, specific to the purpose of the payment selected. Wise says the second page of the warning gave specific advice on how Mr T could protect himself from scams specifically related to sending money to friends and family.

These warnings weren't particularly effective for the type of payments that Mr T was making, but I don't hold Wise responsible for that. Mr T had selected the incorrect purpose of the payments, and Wise responded to that by giving what I consider to be reasonable warnings, even though they weren't applicable to the actual reason the payments were being made.

Had Mr T given the correct purpose for the payment – that's to earn money from working online – Wise says he'd have seen a warning that was more tailored to the risks of scams such as this one. Wise has provided a copy of this warning, which says:

“Have you been asked to pay to earn money? Stop – this is a scam” and

“Have you already been paid a small amount? Scammers might pay you a small amount first to gain your trust. Then, they’ll ask you to pay them to earn larger amounts”.

Mr T says that Wise failed to intervene in any of the payments. But it’s important to bear in mind that an “intervention” can take different forms – and in this case, I’m satisfied that Wise did intervene. Although there wasn’t a *human* intervention, I’ve kept in mind the activity and value of the transactions in question, as well as what’s practical and what Wise was told about the payments. Wise provided specific and tailored warning messages, which I’m satisfied were a proportionate intervention in the circumstances of Mr T’s case.

Wise doesn’t appear to have given a warning for one of the payments – which was the 11th one. But as Mr T gave the reason of “friends and family” for the preceding 10 payments, I don’t think he’d have chosen a different purpose for the 11th one. I think Mr T would’ve chosen the same payment purpose and moved past the warning, as he did for the previous payments. So this doesn’t change my decision in this case.

Recovery of funds

Wise has explained that it wasn’t able to recover any of the proceeds of Mr T’s payments as they appear to have been sent to an innocent party’s account and removed from that account quickly, as part of a wider scam. So whilst this is disappointing for Mr T, I can’t expect Wise to return funds that no longer exist.

I’m very sorry that Mr T 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 so I don’t require it to pay him anything.

My final decision

I do not uphold Mr T’s complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr T to accept or reject my decision before 10 September 2024.

Sam Wade
Ombudsman