

The complaint

Mrs C complains Wise Payments Limited trading as Wise won't refund the full amount of money she lost after she fell victim to an 'authorised push payment' ("APP") scam.

What happened

Our investigator didn't uphold the complaint. Our investigator didn't think any of the payments looked suspicious such that Wise ought to have made additional checks before processing any of them. He went on to say that Wise did provide warnings relevant to the payment purpose Mrs C selected, that we now know wasn't accurate.

Mrs C's representative has asked for the matter to be referred to a decision. It said the payments should've flagged as high risk. So, the complaint's been passed to me to decide.

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 aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Wise ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mrs C's account and the payments she made to the scam. Having considered when they were made, their value and who they were made to, I'm not persuaded Wise ought to have found any of the payments suspicious, such that it ought to have made enquires of Mrs C before processing them. Although there are some payments being made in the same day, these are to different payees and are still of modest amounts even when added together.

Having said that, Wise did display some warnings based on the payment purpose Mrs C gave, and Mrs C went on to make the payments anyway.

I also haven't found any failings by Wise after Mrs C raised the scam claim. Mrs C raised a claim some days after the final payment and Wise have since said no funds remained in the accounts where the payments were sent.

Whilst Mrs C has undoubtedly been the victim of a cruel scam, I don't find there were any failings on Wise's part that would lead me to uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 05 April 2025.

Tom Wagstaff
Ombudsman