

The complaint

Mr M is unhappy Wise Payments Limited won't refund a payment he says he made as part of a scam.

What happened

Mr M says a friend he'd known for a long time, that lived abroad, said he had advanced cancer. To help facilitate what could be a final meet up, Mr M says he sent £602 to the friend as a contribution towards travel costs like flights and accommodation. To make the international transfer needed, he opened an account with Wise and then the next day (on 14 September 2024) he put through the payment – which was funded by his bank account. After the money was sent Mr M says he realised the pictures his friend had sent of the flight confirmation and rental car booking were fake, and also found out the diagnosis wasn't real. Mr M says the friend then became abusive and blocked him when confronted.

Mr M reported what had happened to Wise around a week after he'd sent the payment. Wise considered the claim and didn't think Mr M had provided sufficient information to show the payment in question was fraudulent. It concluded it was more likely a dispute between sender and recipient, so didn't agree to refund the transfer. Wise also decided to close the account, and said the reason was Mr M appeared to be at a high risk of being scammed. A complaint was raised and Wise's final response maintained its position that it wasn't liable. Mr M wasn't happy with the response, and so decided to refer his complaint to our service for review.

One of our investigators considered the complaint and didn't think it should be upheld. In her view, there wasn't enough evidence to support that Mr M had been scammed. But, even if it was a scam, the investigator said the payment wasn't covered by the fraud refund scheme in place at the time, as Wise wasn't signed up to it. The investigator also said she wouldn't have expected a fraud intervention prior to allowing a payment of that size, so she didn't think Wise was liable to reimburse the transaction.

Mr M didn't agree with the investigator's opinion, and asked for an ombudsman to reconsider his complaint. So the matter was passed to me to decide the fair outcome.

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.

Having done so, I've decided not to uphold this complaint. I know this is not the answer Mr M was hoping for, and so this will come as a disappointment. I'm really sorry to hear about the situation he found himself in, and I can understand why he'd want to do all he could to recover the money he sent. But I need to decide whether Wise can fairly and reasonably be held responsible for the loss he's claimed. Overall, I've decided that it can't be – and I'll explain why. Before I do, I should explain that Mr M has brought a linked complaint about the bank where the funds originated, and so to avoid repeating the reasoning I've shared in that decision, this one will be more concise.

I've reviewed what Mr M has provided to corroborate the circumstances involved, and I haven't found there's enough evidence that he was scammed. I need to be satisfied that he was dishonestly deceived into sending that money – so either tricked about the purpose or the end destination for the payment. Mr M's testimony is that his friend lied he had cancer, but I can't see that's supported in the messages. He also initially told his bank he sent the money to pay for treatment and transport costs, and then he said the payment was supposed to be put towards the costs for the friend to come over and visit. None of the messages we've been provided with explicitly say what the basis for sending the money was. So I haven't been able to confirm what the intended purpose for the payment was.

Mr M has said his friend sent faked pictures of booking confirmations for flights and car hire – but I haven't seen the messages from the friend that include the fake plane ticket, and the car hire confirmation seems to be based off a template found on the internet (which could have been used by a legitimate company). But I'm unable to tell that car hire costs or flights were the reasons the money was given. So I can't conclude Mr M was dishonestly tricked about the purpose for sending the money.

Setting aside whether this was a scam or not, I don't think Wise would need to refund the payment even if it was shown to have been fraudulent. It wasn't signed up to the Contingent Reimbursement Model (CRM), which was the voluntary code in force at the time that some banks agreed to, and provided fraud refunds in certain scenarios. The payment also wouldn't have looked suspicious enough to Wise to indicate Mr M was at risk of fraud – it was his first transaction on the account, so Wise had nothing to compare it to, and it wasn't concerningly large. That means I don't think Wise were at fault for not providing warnings or questioning Mr M about the payment before allowing it – but even if it had, I don't think it would have had reservations about someone sending money to a longstanding friend. So I haven't found that a failure in Wise's fraud prevention caused the loss.

Wise has a responsibility to attempt to recover payments sent as the result of fraud, where possible. But it concluded this wasn't likely a scam, and so didn't try to recover the money, which I think was reasonable (given I've reached the same conclusion). The nature of payment, being an international transfer, and the delay in reporting it, meant recovery was unlikely to be successful anyway. Different regulations and rules apply abroad, and recovery in this scenario would have required the cooperation of the receiving bank – who might also have concluded it was a civil dispute after speaking to its customer. If it was a scam, then fraudsters move funds on quickly. So I don't think recovery would likely have been successful even if it had been attempted.

Mr M has mentioned that the closing of the account made it seem like Wise was trying to hide something – and was inconsistent with their decision that he hadn't been scammed. I know Mr M isn't primarily complaining about the closure, and Wise outlined the process for appealing that decision in its final response if he wants to, but I don't think it pointed to anything untoward. This was the first transaction on a brand new account, and a claim was made on the only payment sent – so Wise was entitled to conclude that keeping the account open was outside of its risk appetite. Mr M has said the closure made disputing the outcome on his claim harder – but he received a complaint response within a timely manner, and without undue inconvenience as far as I can tell. I haven't seen any other service issues that I consider would warrant an award either.

Overall, for the reasons given above, I don't think Wise are required to refund the payment in question, and I consider it treated Mr M fairly with regards to the fraud claim – so I'm not directing Wise to do anything further to resolve the complaint.

My final decision

My final decision is I don't uphold Mr M's complaint about Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 September 2025.

Ryan Miles
Ombudsman