

The complaint and background

Mr H complains that Wise Payments Limited (“Wise”) didn’t do enough to protect him when he fell victim to an investment scam in October 2023, resulting in the loss of over £11,000 from his Wise account.

Our investigator didn’t uphold the complaint. In summary, he felt that Wise’s interventions were proportionate and that the questions it asked were relevant to Mr H’s situation but that these weren’t answered accurately. He didn’t think Wise should have intervened further in the circumstances.

Mr H, via his representative, disagreed. He thinks Wise should have been concerned about payments totalling £7,500 to two brand new payees for the purposes of investment should have warranted further intervention.

So the complaint has 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.

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

Given the amounts involved, the recipients of the payments which appeared to be individuals, the frequency of payments, and factoring in that this was a new account, I would have expected Wise to provide a written warning broadly covering scam risks at the point of the second payment.

Wise asked Mr H the purpose of all five of the payments he made, and he accurately answered ‘investment’ each time. However, it then asked Mr H if someone had reached out to him unexpectedly about the investment and whether it sounded too good to be true. Mr H answered ‘No’ to both of these questions for every payment.

Mr H has suggested in his submissions to us that he didn’t consider the contact to have been out of the blue but, having read the conversation with the scammer, I disagree. And I note that Mr H even acknowledged within this communication that he was messaged randomly and that it all seemed too good to be true around the time these payments were being made.

I’m inclined to think that Wise’s interventions were proportionate, and that it was prevented from providing more relevant warnings by the inaccurate answers it was provided when it asked questions about the circumstances of the payment. But, had it intervened further, I’m not persuaded this would have prevented Mr H’s loss.

I say this because it's clear that Mr H trusted the scammer. And when questioned by the bank from which the funds for these payments originated, he gave inaccurate answers. He'd said he hadn't been contacted out of the blue and that no third-party was involved in or helping with the transactions. So it appears that he'd answered in such a way so as to avoid further questioning to ensure those payments were processed.

So I'm persuaded that if there had been further questioning, Mr H would have continued to answer questions in such a way as to avoid alerting Wise to what was really happening. It appears to me that Mr H was being manipulated by the scammer into investing and therefore said what was needed to ensure his payments were processed.

While Mr H has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied there was a failing on Wise's part, and that this failing made a material difference to what happened. But, for the reasons given, I'm not persuaded there was a failing, or that any further proportionate action would have prevented the loss

My final decision

For the reasons given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 August 2025.

Melanie van der Waals
Ombudsman