DRN-5315921

The complaint

Ms P is unhappy that Wise Payments Limited won't refund a payment she made because of an investment scam.

What happened

On 18 February 2021, Ms P made a payment from her Wise account to an international account held in her name. Money had been transferred from Ms P's third-party bank account on 15 and 16 February 2021, to her Wise account totalling £7,065. This money was then used for the transfer.

Ms P said she only became aware that she had a Wise account in 2022 or 2023. She said she was unaware that it was used to transfer her money out to an international bank account also in her name. She complained to Wise about this.

Ms P has also complained about the third-party bank, in relation to the payments she made from it to her Wise account, along with other payments made elsewhere. She also described within this complaint an investment scam, and believes this transfer to an international account, is part of that scam too. The complaint about the third-party bank, is subject to another complaint with our service, but I have read all that happened there, and that has helped inform my decision in this complaint too, as it is all related. That said, to be clear, this complaint is about Wise, and the one disputed payment that happened on 18 February 2021, for £7,065.

After Ms P made her complaint, Wise replied and said that it completed the payment on 18 February 2021 as directed and fulfilled its contractual obligation to do so.

Unhappy, Ms P brought her concerns to our service to investigate.

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 reached the same outcome as our investigator for these reasons:

- The starting position in law is that Ms P is responsible for the payment she made. And Wise has a duty to make the payments she tells it to.

- But, as supported by the terms of the account, that doesn't preclude Wise from making fraud checks before making a payment. And, considering regulatory expectations and good industry practice, I'm satisfied that it should fairly and reasonably do this in some circumstances.

- I do agree with what has been said so far about whether the funds in question were lost to a scam. At present I haven't seen enough information that they were. As it stands, I have been able to see that the transfer of £7,065 was from Ms P's Wise account to another international account in her name. I haven't seen enough that shows me the money was lost to the scam. That said, I don't need to say much more about this, as even if I did conclude the money was lost to a scam, I wouldn't be upholding Ms P's complaint anyway. I will go on to explain why.

- I looked into whether Ms P was aware of what had happened here and whether she authorised the payment on 18 February 2021. Ms P said she wasn't, and she didn't. I do have regard for what Ms P has said about her Wise account, and I have read what she has said about how she discovered she had it, as she was advised on a later date in late 2022 or early 2023 to set up a Wise account, and in attempting to do so, was told she already had one. I have considered what Ms P has said here.

- That said, I can see that Ms P, during a telephone call with the third-party bank, on 22 February 2021, said to its representative that she was making a transfer later in the day and wanted to give notification to it that this is what was happening. She mentioned she was potentially making a transfer to another firm *or Wise*. I think after reading about this, I find it unlikely that Ms P wouldn't have known about her Wise account and only discovered she had it in 2022 or 2023, based on this. In addition, I can see she reset her account, and I think she was only able to do this as she had previously given Wise details that she could then recollect, such as an email address or other personal details.

- From the information I have in front of me, including details of the payments Ms P authorised from her third-party bank to her account with Wise, on balance, I think Ms P was aware of her Wise account and opened it in 2021. Then I think she authorised the payment for £7,065 on 18 February 2021, to another account in her name. I think based on what I have said, and what I have in front of me it is on balance, more likely than not what happened here.

- Ms P had little if any account history and the payment she was making was large and unusual enough that Wise ought to have intervened here and asked questions about what the payment was for. So, I think Wise ought to have done more on 18 February 2021, when Ms P made the payment.

- That said, I don't think any intervention from Wise at this time, would have made any difference to the outcome. I think if Wise had provided Ms P with a warning, she would have continued and proceeded with the payment anyway. I say this because I can see that the third party bank did try and intervene at a similar time, with an investment warning, but this didn't make a difference: Ms P authorised the payment anyway. I think, on balance, if Wise had done so also here, Ms P would have still asked for the payment to go through.

- Finally, I looked at whether Wise could have done more to recover funds once it had become aware of Ms P's complaint. I don't think it could have done, for largely the same reasons that have been mentioned to date, including the amount of time that had passed. I don't think Wise could have done anything more on this occasion.

- I do appreciate how disappointing this will be for Ms P, but for the reasons I've explained I think she did open an account with Wise, and authorised the disputed payment. In addition, if Wise had intervened and warned her here, I think on balance she would have carried on and made the payment anyway. So I don't uphold her complaint.

My final decision

For the reasons I've explained, my final decision is that I do not uphold Ms P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 12 September 2025.

Mark Richardson
Ombudsman