

The complaint

Mr M complains Wise Payments Limited (“Wise”) failed to protect him from financial harm, which led to him losing money to a scam.

Mr M has appointed a professional representative to represent him in his complaint, but for ease. I will simply refer to Mr M throughout my decision.

What happened

The facts of the case are well known to both parties, so I won’t repeat them in detail here.

In short, Mr M says he saw a car for sale in Libya on Facebook which he was interested in purchasing. The car was inspected by his brother, who resides in Libya, and after confirming the car was genuine, he transferred £7,033 to the seller’s company account to buy the car on 7 September 2024. However, he later discovered this was a scam and complained to Wise to try and recover his money. Mr M says Wise should’ve done more to protect him from this scam, such as blocking the payment.

Wise considered this complaint but ultimately felt it hadn’t done anything wrong. It said the terms and conditions of the account clearly set out that a money transfer cannot be recovered once sent, so the customer should ensure they only make payments to their genuine friends, family or legitimate businesses.

Our investigator also considered this complaint and decided not to uphold it. Mr M was unhappy with this outcome, so the complaint has been passed to me for a final 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.

Having done so, I am not upholding this complaint. I will explain why.

Should Wise have recognised that Mr M was at risk of financial harm from fraud?

It is not in dispute that Mr M authorised this transaction himself. It is also not in dispute that Mr M has fallen victim to a scam where he sent £7,033 for the purchase of a car he never received.

However, even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms/banks – such as Wise – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them.

In this case, even though Mr M has only made one payment to the scammer in the amount of £7,033, I think Wise should have intervened before allowing the payment to go through. I say this because having reviewed Mr M’s statements for the past six months I’ve seen that this is the highest outgoing payment from the account, and it was sent to a new payee. The

reference for the payment also doesn't give a real indication as to what the payment was for. The payment reduced Mr M's balance significantly, and as this account was set up to receive Mr M's wages and/or pension payments, I think it is reasonable to say that this payment should've caused suspicion, and therefore an intervention from Wise.

Having considered this was the first, and only payment, I would've expected Wise to have provided a written warning to Mr M at the point he was making this payment. This should've highlighted the potential risks of scams before allowing Mr M to make the payment.

Mr M says Wise should've blocked the payment from going through to protect him from financial harm. But as there were other outgoing payments of over £5,000 made from this account, and this was the first payment that could be seen as out of character for his account, I don't think it would be proportionate to have expected Wise to have blocked this payment or made a human intervention at this point. This is also taking into account that firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions. So overall, I think Wise should've provided a written warning highlighting potential scam risk.

If Wise had provided a warning of the type described, would that have prevented Mr M's loss?

For me to conclude that Wise should refund the money, I must be persuaded that the proportionate intervention outlined above would've made a difference to him and would've prevented the loss. Mr M has argued that had Wise provided a scam warning, he wouldn't have made the payment. But I don't agree, and I'll explain why.

Any written scam warning Mr M would've seen is likely to have suggested Mr M check the payee was genuine and that he was happy he had not fallen victim to a scam. Mr M had seen the car listed online and then arranged for it to be brought to his brother's house for inspection. The scammer brought the car as requested and only after Mr M's brother confirmed he had seen the car, did Mr M make the payment. Considering that Mr M's brother had verified that the car was real, I don't think a scam warning would've caused Mr M to reconsider making the payment for it. He explained that he wanted to buy a car in Libya, was happy with the car that was advertised, and then had verification from a family member that the car was real and in a satisfactory condition. The transfer was also being made into a company name, which is a registered company in the UK and had Mr M looked this up at the time, he would've seen that it is listed on Companies House as a seller of cars and other motor vehicles. So, I think Mr M had already satisfied himself that the car, the seller and the sale was genuine - and so I think Mr M would've clicked through any scam warning and still made the payment. And therefore, I don't think a proportionate intervention would've prevented Mr M's loss.

Recovery of funds

Wise has provided evidence that it attempted to recover the funds but as I understand, no monies has been recovered. But I am satisfied that Wise has made the appropriate requests to try and recover the funds for Mr M.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 October 2025.

Sienna Mahboobani
Ombudsman