

The complaint

Mr A complains that Wise Payments Limited didn't do enough to prevent him from losing money to a scam.

Mr A has used a representative to help him with his complaint. But, for ease of reading, I'll mostly just refer to Mr A himself, where I also mean the representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here.

In August 2023 Mr A made a series of payments from his Wise account. The payments took place across around 10 days and totalled just over £14,000. The largest individual payment was for £3,980. At the time Mr A says he thought he was earning money by completing tasks online with a company I'll call 'A', but he also had to pay to release funds due to him. This was done in the form of purchase of cryptocurrency which he sent to the scammers. After many refusals from A to allow withdrawals, Mr A realised he'd been scammed.

In October 2023 Mr A complained to Wise. He said that he suffers from medical conditions which impacted his decision making and asked to be reimbursed. Wise said they'd intervened in many of the payments he'd made and had provided appropriate warnings. They also said they'd been unable to recover any of his money.

The complaint was referred to our service and one of our Investigators didn't think we could consider all of Mr A's complaint. Some of the accounts Mr A had paid were also provided by Wise, but our Investigator concluded that he couldn't complain about Wise's actions in relation to those complaints as Mr A wasn't an 'eligible complainant' under our rules for those accounts. And for what she could consider, she didn't recommend the complaint should be upheld.

Mr A disagreed and asked for an Ombudsman to make a decision. Taking account of Mr A's difficult personal circumstances, and with a view to resolving things as quickly and informally as possible, I wrote to Mr A's representative. I also shared a copy of what I said with Wise. I said:

"In short, whilst I have every sympathy for Mr A as a victim of a cruel and callous scam, there isn't an automatic right to a refund from Wise in these circumstances. It is right to say that Wise should do what they can to protect their customers from fraud and scams. But in order for me to fairly make an award in that regard, I'd need to be persuaded that there was a failure by Wise which was causal to the losses that Mr A suffered. And here, I don't think there was. In essence, this complaint fails on causation. Irrespective of the level of communication / intervention by Wise, I don't think this would've made a difference or have prevented him making further payments. I don't think any level of intervention that could fairly have been expected would've done so."

I say this because there are marked similarities between this scam and another that Mr A was a victim of earlier in 2023. That other scam is the subject of his linked complaint. In both cases, he was told he would need to make further payments to release money that was due to him. And in both cases, every time he paid, he was given another reason as to why a further payment was needed. In April 2023, one of Mr A's other banks took the following steps. They called him into a branch, had a detailed conversation with him about the scam, and explicitly told him that he was being scammed. Yet this still didn't result in Mr A accepting that he was being scammed, and he sought to continue making payments towards the same scam.

The most I think it's reasonable to have expected from Wise in relation to the payments Mr A was making, would've been to do largely as they did which is to ask questions to narrow down the purpose of the payments to enable them to provide more specific scam warnings. But given Mr A didn't share with them the true purpose of his payments, I can't say any warning that might've been given about 'paying for goods and services' would've been impactful, as it wasn't a scam related to goods or services. And there was nothing specific about the payments themselves (such as identifiably going to cryptocurrency) that should have given Wise reason to question what Mr A had told them.

Further to this, the chat history between Mr A and the scammers includes numerous instances of him saying he's been 'misled' and that 'something is definitely wrong'. Yet he continues to make further payments. None of this supports the idea that Mr A would've responded positively to warnings about potential scams from Wise. It seems Mr A was (or should've been) fully aware of this possibility for the reasons set out above. Indeed Mr A's message to the scammer on 23 August 2023 says "Bank advised not to proceed, and it seems fraudulent". I don't know which bank this was (and Mr A had several accounts at the time). But I think it is clear that another bank gave a further clear scam warning and this still didn't deter him from seeking to make further payments. The chat at times also indicates that Mr A would structure his payments in such a way as to try to avoid scrutiny from any of his banks. So taking all this together, I don't think anything that reasonably could've been expected of Wise would've made a difference here.

I can also see that Wise told Mr A that they'd decided to deactivate his account because his activities had exceeded their risk tolerance. Mr A has alleged that Wise didn't do enough here when they knew (or suspected) he was being scammed. But the evidence I've seen from Wise supports that Mr A being a potential victim wasn't the reason why his activities were outside their risk appetite. So, I don't agree they failed him in the way that has been suggested or that this would've prevented him making payments to the scam.

I'm of course aware of Mr A's personal circumstances and the difficulties he faces. And I accept that he's been a victim of a nasty scam here. But despite my natural sympathy for him, I can't see that Wise were aware of Mr A's situation at the times relevant to this complaint, or that this is something they ought to have ascertained. And I can't fairly use Mr A's personal situation as a reason to direct Wise to do more when I don't think they are responsible for failures that caused his loss (or a part of it)."

I also explained that I agreed with what our Investigator had said about our jurisdiction. Wise didn't provide any further comments. Mr A responded with some comments and asked that I issue my 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.

Mr A says that if Wise had called him, they would've likely discovered his vulnerabilities and that they then could've delved deeper to assess whether he was in the right mental state to make the payments due to the health conditions he was struggling with at the time.

As I've set out above, I do sympathise with Mr A's difficult situation. But despite this, I can't fairly make an award in his favour solely due to his health conditions. In the circumstances here, I don't think there was anything specific about what Wise would've known about Mr A at the time where they should have identified his vulnerabilities or have gone beyond their usual process of providing online warnings in relation to the payments he made. As I've previously said, the most I'd reasonably have expected of Wise here was to ask questions to narrow down the risk and to provide appropriate warnings. I don't think there would've been any reason for Wise (on the information they had at that time) to have done this over the phone. So whilst I appreciate the point Mr A is making, it doesn't change my mind as to the outcome of this complaint

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 4 June 2025.

Richard Annandale
Ombudsman