

The complaint

Mr S complains that Wise Payments Limited won't refund payments he considers were the result of a scam.

What happened

Mr S considers the following payments made from his Wise account were part of a scam:

Date	Description
14 June 2024	Payment to an individual 'K' for £598.00
21 June 2024	Payment to an individual 'K' for £20.00
21 June 2024	Payment to an individual 'K' for £558.54
17 July 2024	Payment to an individual 'E' for £204.00

Shortly after the payments, Mr S disputed them with Wise. It declined to refund them and, for the main part, it didn't uphold Mr S's complaint. In summary, it said it made the payments he told it to, and it couldn't recover the money as it had moved on by the time it heard from Mr S. It did however pay £50 for some of its communication errors in dealing with the matter.

Unhappy with its response, Mr S brought the matter to us 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:

- Even if I accept that what happened to Mr S was a scam – or in other words, involved criminal fraud or dishonesty – I'm not persuaded Wise reasonably ought to refund him.
- The starting position in law is that Mr S is responsible for payments he made. And Wise has a duty to make the payments it tells it to.
- There are circumstances when it might be appropriate for Wise to take additional steps before processing a payment. Such as when there are grounds to suspect the payment presents a fraud risk. That might occur when a payment is significantly unusual or uncharacteristic compared to the normal use of the account.
- Here, Wise displayed a screen which asked Mr S for the purposes of the first and last payments from a list of options, highlighting that it could be a scam. When he

answered 'paying for goods and services', he was asked whether he was buying from a popular site and whether he'd read reviews. Mr S largely responded yes to these questions, so Wise showed him a final screen saying that scams can happen to anyone – and that while his answers don't suggest a common scam, he should talk to someone he trusts first. Mr S then selected to continue with the payments.

- Overall, I'm satisfied that this approach was proportionate to the risk these payments presented. While I know it was a lot for Mr S to lose, they weren't particularly significant in value, nor were they alarmingly frequent. So I wouldn't have expected Wise to have gone further than the tailored written warnings it displayed.
- That means that, whether or not this was a scam, I don't find Wise could be fairly held to blame for failing to stop these payments.
- As well as whether Wise should have done more to prevent these losses, I've looked at whether it ought to have done more to recover them. But I can see that Mr S's money was moved on very quickly after it was received in the beneficiaries' accounts. So I don't think more could've been done here to get his money back.
- Finally, I've noted that Wise paid Mr S £50 for its errors in its communication with him. I think that's reasonable in the circumstances. Particularly given that I consider the driving force of Mr S's frustration and disappointment would've been the outcome to this matter, which I think is fair in the circumstances.
- I realise this decision will be disappointing news for Mr S, who's ultimately lost out here both for his time and money. But for the reasons I've explained, I don't think Wise can be fairly held responsible for refunding these disputed payments.

.My final decision

For the reasons I've explained, I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 May 2025.

Emma Szkolar
Ombudsman