

The complaint

Mrs C complains that Wise Payments Limited didn't do enough to prevent her losing money to a scam.

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 November 2023 Mrs C fell victim to a 'safe account' scam. Mrs C describes how she received a phone call from someone impersonating Wise's fraud prevention team. She was asked about certain payments which she said she hadn't authorised and was told her account was at risk. She was persuaded that she needed to move her money to a new account (initially in the name of another person for security purposes) before the new account would be moved over into her name.

As a result of the scam Mrs C made a single transfer from her Wise account of £27,757.72 on 15 November 2023.

Mrs C tried to call the number the scammer had used, but wasn't able to get through. So she called Wise on their correct details asking to speak to the fraud team. She was then told that the fraud team weren't customer facing and it came to light that she'd been scammed. In February 2024 Wise issued their response and said they'd been unable to recover any of Mrs C's money. But they accepted they should've done more at the time to intervene in the payment and they offered to reimburse Mrs C with 50% of her loss. This was because they felt Mrs C should also accept some responsibility for her loss.

One of our Investigators recommended that the complaint should be upheld. She didn't think it was fair in the circumstances to reduce the award to Mrs C due to her own actions. She recommended that Wise should refund her remaining loss plus interest. Mrs C accepted this but Wise didn't. They asked for an Ombudsman to review the complaint.

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.

Wise's complaint response said *"On review, Wise believes there was more that we could have done to prevent your loss... our safeguarding was not up to the standard we hold ourselves to and we could have done more to prevent this payment... Therefore, we would like to take partial liability for your loss and offer you 50% reimbursement of your total loss."* The response also went on to explain that they thought it fair that Mrs C too should bear responsibility for the remainder of the loss due to contributory negligence.

For completeness, I agree that the scam payment of around £27,000 presented a sufficient risk that it's reasonable to have expected Wise to have done more than they did before

processing it. This payment was larger than any that had previously been made from the account by quite some margin, was to a new payee and drained the account of its balance.

Wise accept that appropriate intervention would've likely prevented the scam, and the basis of them not offering a full refund is because they believe Mrs C also failed in what could reasonably be expected of her. So, I must decide whether this is fair, or if Wise should provide a full refund as our Investigator recommended.

Wise has raised several points in support of their position. These include:

- The number the scammer called from was not linked to Wise, something that an internet search would've revealed.
- Based on Mrs C's testimony, the caller didn't know definite information about her or her accounts, which should've caused her to question things.
- Mrs C should've questioned why a Wise employee was asking about her credit cards (with other providers) and she freely shared codes provided to her from her credit card providers, likely in breach of their guidance.
- Had Mrs C checked her Wise app, she would've seen that there weren't attempted transactions that the scammer had described. She was also told a new Wise card was ordered, but the app would've shown hers as still active.
- They say Mrs C told them the scammer said her account number and sort code could still be used. If this was true, why did she need to send money to another account in a fictitious name?
- The Confirmation of Payee (CoP) match on the outgoing payment should've supported that the payment was going to an external account in a different name.

I've considered all these points. And I also accept that Mrs C said that she initially found it 'odd' that she had to send money to an account in a false name, but that she was reassured by the scammer that this was a standard procedure. Whilst I understand why Wise have raised it, I don't think Mrs C sharing codes from her credit card providers is a decisive factor in considering whether she was negligent. I appreciate it is part of the overall picture, but I'm considering whether she was negligent when instructing the payment from her Wise account which is the subject of this complaint. That said, I do agree with Wise that had Mrs C taken some of these steps, it may have put her on the path to discovering the scam.

However, I don't think it was unreasonable for Mrs C not to take those steps at the relevant time. It is a lot easier with the full benefit of hindsight to highlight things that could have been done. But I think it's important to take account of what likely would've been Mrs C's state of mind at the time. Scammers can be very convincing and persuasive. The fact that these scams are so successful and prevalent supports this being the case. And part of the reason why they work is that the scammers are skilled at creating a sense of urgency and panic against the threat of funds being lost. And whilst the scammer may not have known specific information about Mrs C's account, they can also be skilled at asking questions in such a way that suggests they have more knowledge than they do. Mrs C also described that she was on the phone for around two hours in the belief that this was needed to help secure her account.

Taking all of this into consideration, I think it's more likely than not that when instructing the payment from her Wise account, Mrs C genuinely believed that her account was at risk as she'd been told. I think it's more likely than not that she was taken in by a convincing scam. And in the circumstances here, I don't think she either knew (or reasonably should've concluded) that something was likely amiss but continued despite this such that a reduction in award due to contributory negligence would be a fair and reasonable outcome.

And as Mrs C was without the use of money that she otherwise would have had I agree that 8% simple interest should be paid. It isn't entirely clear whether Wise has already paid that in relation to the 50% they've already refunded, so I'm including provision for that below.

I also agree with our Investigator that there weren't any failings by Wise which impacted whether a successful recovery could be made. But as I don't think it was fair for Wise to reduce their award due to contributory negligence, I'm upholding this complaint and directing that Mrs C's remaining loss be refunded.

My final decision

For the reasons outlined above, my final decision is that I uphold this complaint.

Wise Payments Limited must pay Mrs C the balance of the £27,757.72 payment that she made as a result of the scam, taking into account the payment they've already made.

8% simple interest should be added, to be calculated between the date of loss and the date of settlement.

Unless 8% simple interest has already been paid in relation to the payment Wise have already made to Mrs C following on from their complaint response, this too should be added. It should be calculated between the date of loss and the date Wise paid that money to Mrs C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 12 August 2025.

Richard Annandale
Ombudsman