

The complaint

Mrs G, a director, complains on behalf of a limited company 'S' that Wise Payments Limited (as the recipient account provider) didn't do enough to prevent S' loss when she says she was a victim of a scam.

Mrs G previously used a representative to bring her complaint, but for ease of reading, I'll mostly refer to Mrs G where I also mean her company S and or her former 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. Mrs G says that she entered into agreements with a company I'll refer to as 'H'. She's provided agreements which show that H was going to run premises on her behalf and that a return would be provided. She says she didn't receive returns as expected and now believes she's been scammed.

Mrs G made two payments, each for £25,000, on 1 and 21 August 2023. There was a further payment of £1,000 on 25 August 2023. These payments all arrived on H's account which was provided by Wise. Payments were made from the Wise account back to Mrs G of £1,000 on 14 September 2023 and £6,000 on 3 October 2023, but overall, this still leaves her at a loss of £44,000.

I'm aware that in November 2023 Mrs G instructed a solicitor to write a letter before action to H seeking further payments, but I understand nothing further has been received. In June 2024, Mrs G complained to Wise. She alleged they'd failed in various ways by opening and providing an account to a scammer, she is seeking her outstanding loss.

Wise didn't think they'd done anything wrong and didn't offer any redress. Mrs G disagreed and referred her complaint to our service. One of our Investigators ultimately didn't recommend that the complaint should be upheld. As a broad summary she said she wasn't persuaded H were operating a scam, and even if it could be shown they were, she didn't think there were failures by Wise which had caused the loss. Mrs G disagrees and has asked for an Ombudsman to review her 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.

Having done so, there isn't a great deal I can add to what our Investigator has already said. I agree that there is insufficient evidence to support that H's intention was to defraud Mrs G when accepting payments from her. The activity on the account has the appearance of a legitimate business in the property / rental market. There are payments from platforms that support short term bookings, as well as payments to various companies in that sector and for what appears to be maintenance and cleaning. It's apparent that H was engaged in

receiving payments for rental of properties and I've not seen enough to persuade me that their intention when accepting Mrs G's payments was fundamentally different to this.

But even if I'm wrong on what I've said above and dishonest intent on behalf of H could be established, this still wouldn't change my mind as to the outcome of this complaint. I say this because I've seen evidence that Wise conducted appropriate checks when opening the account in question which included a copy of a valid government issued identity document. So I don't agree with Mrs G's suggestion that there were account opening failures which caused the loss to her.

I also don't agree that, even if H were operating a scam, this is something Wise ought to have identified when monitoring the account. As I've mentioned above, the account activity was in line with the expectations for a business of that nature. The evidence also supports that when Mrs G reported her issue to Wise, the accountholder provided a response including copies of their agreements. So, if there were other occasions when Wise ought to have intervened, I think it's more likely than not that acceptable evidence and documentation would similarly have been provided by the accountholder. I note Mrs G's point that H was later subject to a winding up petition, but this took place in June 2024, long after her payments had been made. So this doesn't change my thoughts as to H's account monitoring (as it could impact her payments) nor their intention when accepting payments from Mrs G.

Mrs G has also mentioned the fair and reasonable basis upon which our service decides complaints. But that applies equally to Wise as it does to her. And the relative imbalance of resources between the parties isn't a basis upon which I could fairly expect more from Wise. I also don't agree that Wise acted unreasonably by saying they were unable to return any funds from the recipient account once this was raised with them. Given there is insufficient evidence to support this is a scam, there isn't any basis upon which they ought to have done more to return funds, even if they could be shown to have remained at the time. I'm of course sorry to hear this leaves Mrs G at a loss, but because I don't think this is something Wise are responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve 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 S to accept or reject my decision before 26 March 2026.

Richard Annandale
Ombudsman