

The complaint

Mrs T is complaining about Wise Payments Limited because it declined to refund money she lost as a result of fraud.

What happened

Sadly, Mrs T fell victim to a scam after she was introduced to a fake investment scheme by a colleague. Between December 2023 and February 2025, she made 18 payments to a selection of individuals totalling over £30,000 that she says were lost to the scam.

Our investigator didn't recommend the complaint be upheld. They didn't think there was sufficient evidence to show these payments were lost to the scam. They also noted that Wise asked Mrs T about the reason for a number of the payments but that she withheld the real reason meaning the warnings shown weren't relevant to this scam.

Mrs T didn't accept the investigator's assessment. Her representative said that her testimony relating to the scam is evidence that we should take into account and that a lack of supporting evidence from the time shouldn't mean her complaint isn't upheld. Further screenshots were also provided to support the complaint.

The complaint has now been referred to me for review.

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 overall conclusions as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

Mrs T's testimony is evidence that I've taken into account and the screenshots provided do appear to indicate she was engaged with the scam company referred to. But the payments recorded on these screenshots don't tally with the dates and amounts of the payments highlighted in her complaint. Also, the payments went to a selection of individuals that aren't identifiably involved in the scam. So while I don't doubt that Mrs T was engaged with the scammers and lost money, I don't think I can say with any certainty that this is where any or all of the payments referred to ended up. This means I can't accurately assess the extent of any loss or make a meaningful award.

This notwithstanding, and for the sake of completion, I've considered whether Wise should have acted on the payment instructions it received.

There's no dispute that Mrs T authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Wise also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Wise acted fairly and reasonably in its dealings with Mrs T.

The payments

One of the key features of a Wise account is that it facilitates payments that sometimes involve large amounts and/or transfers to overseas accounts. I must take into account that many similar payment instructions it receives will be entirely legitimate. I also need to be mindful of its responsibility to make payments promptly.

Having considered what Wise knew about the payments at the time, I think it ought to have identified that some of the larger payments could indicate Mrs T was at risk of harm from fraud and taken steps to intervene in the process. It appears Wise did recognise this risk as it's confirmed it intervened to ask the purpose of payments on 8 February, 27 February, 15 March, 27 March and 3 May 2024 and again on 13 February 2025 before showing a written warning based on Mrs T's response.

Having thought carefully about the risks these payments presented, I'm satisfied this was a proportionate response. While some of the payments were large, for example £5,148 on 28 February 2024 and £3,784 on 18 March 2024, they were to different payees. This, along with the fact they were spread out over a considerable period of time and weren't identifiably going to cryptocurrency or other types of investment, meant a pattern of multiple, rapid and escalating payments associated with many known investment scams didn't really emerge.

Each time Mrs T was asked about the purpose of a payment she selected that she was paying friends and family rather than making an investment. Wise has also provided a copy of email correspondence with Mrs T on 8 February 2024 where she explained that she was repaying a debt to an old friend. Based on her answers, Mrs T was on each occasion shown a tailored warning about scams associated with sending money to family and friends rather than one about investment scams. While these didn't apply to this situation, I don't think Wise had any reason to doubt the information it have been given and I'm satisfied the warnings were relevant to the circumstances as it understood them.

The success of any fraud intervention by a business depends to some extent on the customer providing accurate information about the purpose of the payment. As explained by her representative, I understand Mrs T hid the real purpose of the payments on the advice of the scammers, but I don't think there's no doubt this hampered Wise's ability to understand

what was really going on and show relevant warnings that might have opened her eyes to the scam.

I want to be clear that it's not my intention to suggest Mrs T is to blame for what happened in any way. She fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why she acted in the way she did. But my role is to consider the actions of Wise and, having done so, I'm not persuaded these were the cause of her losses.

In conclusion

I recognise Mrs T has been the victim of a cruel scam and I'm sorry she lost money in this way. But, for the reasons I've explained, I don't think I can reasonably demonstrate that any or all of the payments highlighted in this complaint were lost to the scam. And even if I could, I think Wise acted fairly and reasonably in its dealings with her by enquiring about the purpose of some of the larger payments and showing relevant warnings based on her answers. I realise the outcome of this complaint will come as a great disappointment but I won't be telling it to make any refund.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 26 May 2026.

James Biles
Ombudsman