

The complaint

Ms R complains Wise Payments Limited (“Wise”) hasn’t refunded funds she lost as the result of a scam and could have done more to recover her losses.

What happened

Both parties are familiar with the circumstances of the complaint, so I’ll only summarise the key details here.

Between 2 and 24 September 2025, Ms R made several payments totalling approximately £65,000 towards what she thought was a legitimate investment opportunity. She moved funds from an account she held with another banking provider, which I’ll refer to as ‘B’, to her Wise account, before moving them on again to a money transfer service in USD. Ms R said the funds appeared in her account on the scammer’s trading platform where they were lost to the scam. Ms R realised she had been scammed after speaking with her daughter and contacted Wise, but it didn’t refund her.

Unhappy with Wise’s response, Ms R raised the matter with the Financial Ombudsman Service. One of our Investigators looked into the complaint and didn’t uphold it. They thought Wise should have intervened further, but that it wouldn’t have made a difference if it had, due to the coaching Ms R was receiving from the scammer.

Ms R has also raised a complaint against B which I will address separately.

As an agreement could not be reached, the complaint has been passed to me for a final 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.

I’m sorry that Ms R has been the victim of a scam. I realise she’s lost a significant sum of money at an already difficult time, and I don’t underestimate the impact this has had on her. And so, I’d like to reassure her that I’ve read and considered everything she’s said in support of her complaint. This includes the vulnerabilities that Ms R disclosed to us, due to their sensitive nature I won’t detail them here. However, I’ll focus my comments on what I think is relevant. If I don’t mention any specific point, it’s not because I’ve failed to take it on board and think about it, but because I don’t think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Ms R but having done so, I won’t be upholding her complaint for broadly the same reasons as our Investigator. I’ll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

Ms R authorised the payments in question here and knew funds would be leaving her account – so even though she was tricked into doing so and didn't intend for her money to end up in the hands of a scammer, she is presumed liable in the first instance.

But as a matter of good industry practice, Wise should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've also thought about the Authorised Push Payment Reimbursement Rules. It doesn't cover payments made to an account in a customer's name, and so isn't relevant here.

I've thought about whether Wise acted fairly and reasonably in its dealings with Ms R when she made the payments, or whether it should have done more than it did.

Ms R made numerous payments from her Wise account to an account she held with a money transfer service. Wise intervened prior to processing a £5,000 payment on 2 September 2025. It contacted Ms R and she told Wise she was moving money between her accounts and using its exchange services for a better rate and fees. Ms R told us she was coached by the scammer in her response to Wise. A firm's intervention relies on a customer being accurate and when that doesn't happen, as is the case here, it can impact the actions a firm takes.

I'm satisfied Wise should have intervened on the higher value payments Ms R made later in the payment journey. However, I'm not persuaded that any intervention from Wise would have uncovered the scam or prevented Ms R's loss. I'll explain why.

I should explain that for me to find it fair and reasonable that Wise should refund Ms R requires more than a finding that it ought to have intervened further than it did. I would need to find not only that Wise failed to proportionately intervene where it ought reasonably to have done so – but crucially I'd need to find that but for this failure the subsequent loss would've been avoided. That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that such a proportionate intervention by Wise wouldn't have revealed the payments were part of a fraud or scam, then I couldn't fairly hold Wise liable for not having prevented them from being made.

Other interventions

I've also considered an intervention by B when they spoke to Ms R on a call prior to processing a £5,000 payment on 9 September 2025. I've listened to the call, and I'm not satisfied Ms R was forthcoming with B. The advisor started the call by saying it was important for Ms R to tell it if anyone had told her what to say or lie to the bank as it could be a scam, which Ms R confirmed she understood. In summary when asked the reason for the payment Ms R said, B wasn't great for savings so she'd decided to open an account with Wise and move her funds. She also said Wise was better for international transfers and she would be using it for travelling. B asked if she'd opened the account with Wise herself, to which she said yes. It also asked if she'd been asked to download remote access software, been pressured to make the payment and if there was third-party involvement of any kind. Ms R answered no to all these questions which we know wasn't accurate.

I've also considered information we've been provided from Ms R's loan provider, when she took a loan to fund the scam. The loan provider spoke with Ms R by phone as part of the application process. I've listened to the call Ms R had with the loan provider and when asked what the purpose of the loan was Ms R said it was for home improvements and was able to answer the provider's further questions regarding the planned works such that it was satisfied and approved the loan. She was specifically asked if she was borrowing for investment purposes and confirmed she wasn't. Ms R said the scammer told her exactly what to say to get the loan approved, which she did.

Ms R's testimony is clear, she told us the scammer gave her direct coaching on a daily basis, and she said she operated under remote access manipulation, with the use of remote access software. She also said that her and the scammer rehearsed what she should say in calls with her bank, so it's clear she was being heavily coached.

Although, I do think Wise should have intervened further, based on the level of coaching and guidance Ms R was receiving, I'm not persuaded any further intervention from Wise would have uncovered the scam, based on the responses she provided Wise, B and the loan provider, it therefore wouldn't be fair or reasonable to hold Wise liable for Ms R's losses.

I've also considered if Wise did what it should have when they were made aware that Ms R had fallen victim to a scam. The evidence shows Ms R first contacted Wise to report the scam on 25 September 2025. Wise said it attempted to recover her funds on 27 October 2025. I think Wise should reasonably have attempted recovery sooner than it did, however I don't think it would have made a difference even if it had, given the time between the payments being made and the scam reported to Wise, I don't think there was any prospect of recovery of Ms R's funds.

I'm sorry to disappoint Ms R further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Wise needs to refund Ms R's money. I realise this means Ms R is out of pocket and I'm really sorry she's lost this money. However, for the reasons I've explained, I don't think I can fairly or reasonably uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint against Wise Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 28 April 2026.

Charlotte Mulvihill
Ombudsman