

## **The complaint**

Mrs E has complained, via her attorney, that Remitly U.K. Ltd (“Remitly”) didn’t process a payment to an overseas bank account.

## **What happened**

Mrs E’s attorney went to make a payment from Mrs E’s Remitly account to an overseas account on 20 May 2024. However, the payment was blocked by Remitly. Mrs E’s attorney spoke to Remitly a number of times before the restriction on the account was removed and the payment was successfully made on 22 May 2024.

Unhappy with how the payment was handled, Mrs E’s attorney complained to Remitly on her behalf.

Remitly issued a response to the complaint on 22 May 2024, explaining that the attempted payments were blocked by its system as being suspicious. Remitly confirmed that the payment made using Mrs E’s debit card was successfully made.

Mrs E’s attorney contacted Remitly further, so Remitly issued its final response to the complaint on 28 May 2024. In terms of the payment that was due to be returned (payment reference ending \*\*3414), Remitly explained that the payment was returned as the attorney had entered his bank details - rather than Mrs E’s - when trying to make a payment from Mrs E’s account. It then explained that, once the attorney had tried to make the payment again using the correct account details i.e. Mrs E’s debit card, the payment (payment reference ending \*\*8865) was successful.

Remitly also explained that the attorney had set up two accounts, but as he was only allowed to hold one account, Remitly closed one of them down. Unhappy with Remitly’s response to the complaint, the attorney referred Mrs E’s complaint to this service.

One of our investigators assessed the complaint and they didn’t uphold the complaint. Unhappy with the investigator’s conclusions, the matter was referred for an ombudsman’s decision.

As this complaint concerns Mrs E’s account, this decision won’t address anything relating to the attorney’s Remitly account.

## **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 reviewed everything, I don’t uphold this complaint, for broadly the same reasons that the investigator gave. I will explain why.

Mrs E’s Remitly account was opened on 20 May 2024, and 12 transactions were attempted between 20 May 2024 and 22 May 2024. However, all but the last transactions were blocked.

I understand that the reason why the transactions had been unsuccessful was because the attorney had tried to make the payments from Mrs E's Remitly account, using his own debit card. However, the user agreement says that making transfers on behalf of someone else, is not allowed. So, I can't say that Remitly was being unfair or unreasonable in blocking these transactions, as ultimately, according to the user agreement, only payments made from an account in Mrs E's name could be processed on her Remitly account. And once Remitly had spoken to Mrs E's attorney and explained that the payments must be made from an account in Mrs E's name, I can see that the payment was then successfully processed on 22 May 2024.

In terms of the blocks that were placed on Mrs E's account, as the investigator said, it is reasonable for Remitly to have systems in place to detect suspicious payments to ensure that any payments made are not illegal or fraudulent.

So given the circumstances - in particular that the attempted payments were made to an overseas account; were made using a payment method that was not in the account holder's name; and also due to the fact a number of payments were attempted within a short space of time, I think Remitly acted fairly in applying the blocks that it did. I appreciate that Mrs E and her attorney were clearly frustrated by this. But Remitly needs to balance the need to action legitimate payment instructions, whilst also ensuring that sufficient checks and processes are in place to ensure that it is not facilitating illegal or fraudulent payments. Although to be clear, I'm not saying the payments that Mrs E's attorney was attempting to make were illegal or linked to fraud.

Due to the attempted payments not being successful, the attorney called Remitly a number of times to discuss the transactions. Mrs E's attorney has said he was frustrated how Remitly dealt with him. But Remitly had not initially been provided with the documentation to show that Mrs E had appointed a power of attorney. And without that documentation, I can understand why Remitly initially wanted to speak to Mrs E.

When the attorney spoke with Remitly, it was explained that the payment had to be made from an account in Mrs E's name. So I'm satisfied that, Remitly gave Mrs E's attorney information so that the payment could successfully be made.

One of the attempted payments had resulted in money being taken out of the payment account. I can understand why Mrs E's attorney was concerned about this. According to the user agreement, if a payment has been cancelled, it should take 3 business days for the money to be refunded. Although the user agreement does also say that it may take longer than 3 business days, depending on processing times of third parties. As it was, I understand that the money was refunded within 2 working days. So, I'm satisfied that Remitly dealt with the refund correctly and within a reasonable timeframe.

The attorney for Mrs E has also said that, he has a disability and so, as a reasonable adjustment, asked for Remitly to call him about Mrs E's complaint. In response to this, I can see that Remitly attempted to call the attorney a number of times on 21 May 2024. And Remitly was then able to speak with the attorney on 22 May 2024 and discussed the complaint with him. So I can't say that it'd treated him unfairly or unreasonably.

Therefore, taking everything into account, I'm unable to uphold this complaint. It seems that issues the attorney faced, were essentially caused by him trying to make payments from Mrs E's account in a way that was not allowed under the Remitly user agreement.

I'm satisfied that, once the attorney called Remitly to ask why the payments were not going through, Remitly explained to him the reasons why and also what he needed to do to ensure

that they would be successful. Remitly explained the time scales for the refund to be processed, and duly returned the money to Mrs E's attorney's account within a reasonable time frame, that was compliant with the user agreement. And when the attorney asked for a reasonable adjustment to be made and asked for Remitly to call him to discuss the complaint, it did just that.

I therefore can't see that Remitly needs to do anything more in relation to this complaint.

### **My final decision**

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 6 December 2024.

Thomas White  
**Ombudsman**