

The complaint

Miss P complains Remitly U.K., Ltd. won't refund her for payments made in connection with a scam.

What happened

Miss P was contacted via a messaging app about a remote job opportunity with a company, "M", which involved completing tasks on a platform in return for commission. Miss P was told she needed to send payments to M's platform in order to earn more commission. Unfortunately, this was a scam.

On 17 September 2024 three payments were sent via Miss P's Remitly account. Shortly after, she contacted Remitly to dispute the payments. When it wouldn't agree to refund her, Miss P complained – and then referred the matter to our service. She has, at points, suggested she didn't authorise the later two payments.

Our investigator didn't uphold the complaint. He thought Miss P authorised the payments – which he didn't think Remitly had cause to suspect were linked to fraud. Nor did he think it could have recovered the funds. Miss P didn't accept this outcome. She says she was scammed – and she reported this to Remitly on the day the funds were sent, yet it didn't help.

What I've decided – and why

Before explaining my outcome, I want to clarify the scope of what I'm considering.

Miss P has complained about three transactions made on 17 September 2024. I have seen there was a payment the day before, for around £50, which looks as though it could also be connected to the scam.

It's unclear to me if Miss P has omitted this payment deliberately from her complaint (as it was flagged to her by the investigator). Regardless, as it hasn't been complained about, I don't have the power to consider it within this case. In the event Miss P does wish to dispute this payment, she will need to raise it with Remitly directly in the first instance. However, in the interest of managing expectations, I would suggest Miss P takes the outcome of this case into account when deciding how to proceed.

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 decided not to uphold it. I'll explain why.

It's not clear to me if Miss P is alleging she didn't authorise (some of) these payments. But for the sake of completeness, I have considered this – and I'm persuaded she made all three payments. That matches what she told Remitly when she first contacted it about the scam – saying she sent money to the wrong person/using the wrong information, and that this applied to the last three transactions she made. It also matches the nature of her messages

with the scammers, in which they discuss making payments – and ask her for screenshots to show they’ve been sent.

Additionally, the payments were funded from an account Miss P holds with another firm (“M”). The M account also appears to have been topped up to fund these payments. So, whoever made the payments would have needed payment information for multiple accounts Miss P holds.

I can also see the final payment was approved via a “3D Secure” check. This is an extra step required to authorise some card payments. To complete this, access would have been required to Miss P’s phone and/or the account she used to fund the payment.

Based on what Miss P has told us about how this scam unfolded, I don’t consider it likely the scammers could have got the information and access required to make these payments. For example, there is no suggestion Miss P was tricked into sharing any details required to access her accounts – or that remote access software, which might enable a scammer to view her payment information, was utilised during the scam.

I’m therefore persuaded that, although Miss P was tricked, she was aware of and agreed to the payments. In line with the relevant legislation – the Payment Services Regulations 2017 (PSRs) – that means they were authorised. And the starting position under the PSRs is that she is liable for authorised payments.

However, there are some situations where I would reasonably expect a firm to make further enquiries about a payment before deciding whether to process it – in circumstances where there are grounds to suspect it presented a fraud risk. That might be the case if a payment appears suspicious or uncharacteristic compared to the normal use of the account.

Here, I don’t think Remitly had grounds to think the payments were linked to fraud. Miss P frequently used her Remitly account to send funds abroad, including making multiple payments on the same/consecutive days, and some for similar amounts to these payments. I therefore consider it reasonable that Remitly processed the payments, without completing additional checks, in line with the instructions it received.

Miss P contacted Remitly to report the scam on the day of the payments. Remitly contacted the merchant who processed the payments about recovering the funds, but was told this wasn’t possible. This matches my understanding that payments sent in this way – “push-to-card” payments, sent to accounts held abroad – are unlikely to succeed. So, while I appreciate Miss P’s disappointment, I don’t think Remitly missed an opportunity to recover these funds.

I appreciate this will be disappointing for Miss P, who has clearly fallen victim to a scam. But having carefully considered the circumstances, I don’t think any failings by Remitly caused or contributed to her loss. I therefore don’t consider it fair to direct Remitly to refund her.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss P to accept or reject my decision before 30 April 2025.

Rachel Loughlin
Ombudsman