

The complaint

Miss R has complained about REMITLY U.K LTD won't refund money she lost to a scam.

What happened

The details of the complaint are well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so I agree with the investigator's findings for broadly the same reasons, I will explain why. But first, I'm very aware that I've summarised this complaint very briefly, in far less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here: Should Remitly refund Miss R's money she lost to a scam.

In broad terms, the starting position in law is that an Authorised Payment Institution is expected to process payments that their customer authorises them to make. It isn't disputed that Miss R authorised the payments from her Remitly account. Therefore, under the Payment Services Regulations and the terms of her account, Remitly is expected to process Miss R's request, and she is presumed liable for the loss in the first instance.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider it fair and reasonable that in December 2024 Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

The question then arises whether Remitly ought reasonably to have held such suspicions or concerns in relation to Miss R's payments - and if so, what might've been expected from a proportionate intervention at that time. Further to that, where there is an interaction between

a customer and Remitly before a high value payments are processed, as there was here, I'd expect Remitly I to take reasonable steps to understand the circumstances of that payment. Having considered the transactions I am satisfied that payment five transferred on 11 December 2024 of £1,002.99 carried a heightened risk of fraud. I say this because there had been several transactions made in the space of two hours, and the two-prior transaction to payment five had been made in under 30 minutes (roughly). I have also considered that the transfers were sent to different payees. As such, I think Remitly had sufficient reasons by payment five to suspect that there was a significant risk of financial harm. I am satisfied it demonstrated all the hallmarks of a job scam. Therefore, I think it's reasonable to conclude that Remitly ought to have intervened on this payment.

I have considered what I think is most likely to have happened if Remitly had intervened on payment five.

The FCA's Consumer Duty, which was in force at the time these payments were made, requires firms to act to deliver good outcomes for consumers including acting to avoid foreseeable harm. In practice this includes maintaining adequate systems to detect and prevent scams and to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers. As such, firms, have developed warnings to recognise both the importance of identifying the specific scam risk in a payment journey and of ensuring that consumers interact with the warning.

In light of the above, by December 2024, when these payments took place, Remitly should have had systems in place to identify, as far as possible, the actual scam that might be taking place for example by asking a series of automated questions designed to narrow down the type of scam risk associated with the payment he was making – have provided a scam warning tailored to the likely scam Miss R was at risk from. I accept that any such system relies on the accuracy of any information provided by the customer and cannot reasonably cover off every circumstance.

Therefore, if Remitly intervened in the way I have highlighted above, I would have expected it to have asked Miss R for the purpose of the payment and other open questions to establish the potential scam Miss R was falling victim to. Once that had been established (given this was a job scam) I would have expected any such warning to have covered off key features of such a scam, such as making payments to gain employment, being paid for 'clicks', 'likes' or promoting products and having to pay increasingly large sums without being able to withdraw money. I acknowledge that any such warning relies on the customer answering questions honestly and openly.

However, in this case, I am not satisfied Miss R would have provided accurate answers to the questions Remitly ought to have asked if it had intervened. I say this because, Miss R also transferred funds from an account in her name she holds with another EMI, which I will refer to as X. I am aware that X did intervene on 11 December 2024. One of the questions X asked was:

"Why are you making this payment?"

Miss R responded by stating that she was making the payment as part of an investment. Miss R also didn't provide accurate answer to the questions X ask in relation to how she 'discovered the opportunity'. And I am aware that there was an option for Miss R to select 'online or social media'. So, because Miss R didn't provide accurate answers to the questions X asked, I am satisfied that had Remitly intervened in the way I have outlined above, which I deem to be proportionate to the risk the transfer presented (in the same way X intervened) Miss R would have answered in a similar way (given payment five occurred a day later).

This is supported by the fact that I have seen evidence in the scam chats provided by Miss R that Miss R was being coached by the scammer. On 11 December 2024 at 2:11pm, the scammer said:

“You can call your bank to pass the transfer, don’t mention doing a review for fear that the bank won’t pass you, you can say that the transfer is to a friend, which is what I did yesterday because the transfer was huge and the bank wouldn’t pass it”

In Miss R’s testimony to our service she has said “The scammers deliberately coached me on what to say to banks, exploiting my lack of experience and using psychological manipulation”. Therefore, I am persuaded on balance that even if Remitly had intervened, Miss R would have provided accurate answers to the questions asked by Remitly, as she was under the spell of the scammer (as seen the previous day when X intervened). As such, Remitly would have been denied the opportunity to identify the true purpose of the scam Miss R was falling victim to and apply appropriate warnings which potentially could have unveiled the scam. Therefore, I am satisfied even if Remitly had intervened it wouldn’t have prevented Miss R’s losses.

Recovery

I have gone on to consider if Remitly took reasonable steps to try and recover the funds. Remitly said that Miss R notified it about the scam on 7 March 2025. Which was almost three months after payment five was transferred. In any event due to the time that had passed from the scam occurring and when it was reported to Remitly the type of payment in question (push to card) and in conjunction with it appearing the transactions were international payments, I am satisfied it was always unlikely the funds would have been recoverable.

All things considered, and despite my natural empathy for this cruel scam and the situation finds herself in having lost her money, I’m not persuaded Remitly taking different actions would have prevented the payments being made, or the loss that ensued, for the reasons I have explained. It follows that I do not consider it fair or reasonable to require Remitly to do anything beyond what it has already done for this complaint.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss R to accept or reject my decision before 11 February 2026.

Jade Rowe
Ombudsman