

The complaint

Miss S is complaining that REMITLY U.K., LTD (Remitly) didn't do enough to prevent her from sending payments to a scam.

What happened

Both parties are familiar with the circumstances of the complaint, so I'll only set them out briefly here.

Miss S fell victim to an online job scam after coming across a website which offered task-based earning. The scammer told Miss S to open an account with Remitly and she was tricked into transferring funds into it from her bank account and then making payments to recipients abroad. An initial payment of £53 was refunded to her, but on 29 June 2025 she made two further payments of £249 and £480 which remain in dispute.

When Miss S realised she'd been scammed, she contacted Remitly. Remitly told Miss S that the transactions had been completed and couldn't be cancelled, but it had contacted its partner bank to attempt to reverse the disputed payments. It also explained that it had blocked her account and removed the beneficiaries.

Miss S asked for updates, and on 5 July 2025 Remitly issued a final response letter. It explained that it had been unable to recover the funds and because the payments had been authorised, it wouldn't be refunding them. It told Miss S that it had suspended her account to protect her account details and personal information. And it also explained that the disputed payments weren't covered under the Authorised Push Payment (APP) scam reimbursement rules, because they were international payments.

Miss S brought her complaint to the Financial Ombudsman Service. But our Investigator didn't think it should be upheld. Miss S didn't agree – she didn't think Remitly had done enough to protect and support her as a victim of fraud. So, her complaint has been passed to me for review and a 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'm not upholding Miss S's complaint, for much the same reasons as the Investigator. I'll explain why.

In broad terms, the starting position at law is that Remitly is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. Liability for an authorised payment rests with the customer, even where they are tricked into making the payment. There's no dispute that Miss S authorised the payments here.

But - taking into account relevant law, regulators' rules and guidance, relevant codes of practice and good industry practice - in some circumstances, it should take a closer look at the circumstances of the payment. For example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payment. I'd expect any intervention to be proportionate to the circumstances of the payment.

But I've also kept in mind that Remitly processes high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I agree with the Investigator that I wouldn't expect Remitly to have intervened here. There was nothing about the value, pattern or the circumstances of the payments which I'd have expected Remitly to have been concerned about. Although I appreciate it was a lot of money for Miss S to lose, the value of the payments was not significant in the context of the payments Remitly processes every day. The funds were sent abroad, but the purpose of holding an account with Remitly is to use a money remittance service which primarily sends payments abroad and so I don't think this would have been suspicious. Overall, I don't think these payments ought to have caused Remitly to be sufficiently concerned about a scam risk that it should have carried out any additional checks or given Miss S a warning before processing them. So, I don't think it ought to have done anything else to prevent Miss S from making these payments.

I've also thought about recovery of the payments once Remitly became aware of the scam. We are aware that scammers usually move funds on very quickly, to prevent them from being recovered. And these were international payments and so there was no clear mechanism to recover the payments; any recovery attempts are on a best endeavours basis. Remitly did attempt to recover the funds here, and unfortunately it wasn't successful in doing so. But in all the circumstances, I don't think Remitly could reasonably have done more here which would have led to the payments being successfully recovered.

For completeness I would add that I don't think Remitly acted unfairly in suspending Miss S's account after she'd reported the scam activity. Its terms and conditions allow for this when fraud is reported, and I can see that it did explain that it would be taking this action (and why) in its correspondence with her. And I don't think it provided her with a poor service when she reported the scam or needs to pay her compensation for any other reason.

I know this outcome will be disappointing for Miss S and I'm sorry to learn how this scam has affected her. As the victim of a cruel scam I can understand why she'd think she should get her money back. But for the reasons I've explained, I don't think Remitly ought reasonably to have done more to prevent her loss. So, it wouldn't be fair or reasonable for me to ask it to refund the payments she made to the scam.

My final decision

My final decision is that I'm not upholding Miss S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 17 February 2026.

Helen Sutcliffe
Ombudsman