

The complaint

Mr C is complaining that REMITLY U.K., LTD (Remitly) didn't do enough to prevent him from making payments to an investment scheme which was later identified to be a scam.

What happened

Mr C decided to invest in a scheme I'll call M. He instructed Remitly to make the following international payments which he invested in M. He added his own name as the beneficiary of all the payments.

Date	Amount of payment
1 May 2025	£4,998
22 May 2025	£9,990
22 May 2025	£7,000
23 May 2025	£2,998

In July 2025 Mr C contacted Remitly to report that he'd been scammed by M. He complained that Remitly had been used by M to facilitate the scam he'd fallen victim to, and he asked for the money he'd sent to be refunded to him.

Remitly attempted to recover the funds, but it wasn't successful. It replied to Mr C's complaint to say that it wouldn't be refunding the disputed transactions.

Mr C brought his complaint to the Financial Ombudsman Service. Our Investigator didn't think Remitly ought to have intervened before the payments were sent. Mr C didn't agree, so his 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.

I'm sorry to disappoint Mr C, but I'm not upholding his complaint. I'll explain why.

When a payment is authorised, Remitly has a duty to act on the payment instruction. But 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 its service and questioning transactions to confirm they're legitimate.

Remitly operates a money remittance service specialising in international payments, and many of its customers will use its services infrequently and for facilitating international payments, as Mr C did here. As such, it wouldn't have had much information about Mr C's usual account activity to decide if these payments appeared out of character in the way that his bank might, for example. I don't think there was anything particularly unusual about the transactions here such that Remitly ought to have been concerned that they were suspicious.

The funds were sent abroad but this is what Remitly is generally used for, and Mr C had told Remitly the payments were going to an account in his own name. The transactions didn't escalate rapidly in frequency or value which can sometimes indicate that a scam is taking place. And Remitly displayed a general scam warning before each payment. In all the circumstances, I think this was a proportionate response and I don't think it needed to make any further enquiries about where the payments were being sent to.

Overall, I don't think Remitly acted unreasonably in carrying out Mr C's authorised instructions to make the payments.

Remitly did take steps to attempt to recover Mr C's funds when he reported what had happened but ultimately, it's been unable to recover them. Unfortunately, as international payments the chances of successful recovery were limited in any case, even if the scam had been reported very soon after the payments had been made.

Mr C has questioned whether Remitly completed adequate checks when he used its services to transfer the funds. As the Investigator's explained, it's for Remitly to put in place what it feels to be appropriate measures to satisfy itself that Mr C was who he said he was, as it has done here. I understand that the scammers may have directed him to make transfers via Remitly, but this doesn't mean that Remitly was complicit in the scam.

As a gesture of goodwill Remitly has now offered to refund transaction fees totalling £7.96 to Mr C on receipt of his bank details to receive the refund. I'm not directing Remitly to pay Mr C this amount, because I'm not upholding his complaint. But if Mr C would like to accept this refund, he can pass on his details to Remitly through our Investigator, or contact Remitly directly.

My final decision

My final decision is that I'm not upholding Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 11 March 2026.

Helen Sutcliffe
Ombudsman