

## **The complaint**

Mr B complains Tide Platform Limited (“Tide”) refuses to refund him for transactions on his account he says he didn’t authorise.

## **What happened**

The facts of this complaint are well known to both parties, so I won’t repeat them in detail.

In short, Mr B says his phone was stolen out of his hands while on holiday on 1 August 2024. He didn’t have access to another phone to make any calls or check his accounts until around 10am the next morning. On checking his emails, he thinks he discovered unauthorised activity on his accounts, and he contacted Tide to inform it. Mr B says he thinks he was targeted for his device and may have been shoulder surfed prior to the thieves stealing his phone from his hands unlocked. There were £13,431.14 worth of unrecognised transactions from Mr B’s Tide account, and he says it should refund these.

Tide doesn’t appear to have disputed the fact that the transactions were unauthorised, but it says Mr B should have reported the theft of his device sooner than he did. And so, it has held him liable for the transactions made prior to the point he informed Tide and has refunded 50% of the transactions made after. It also offered £75 in compensation for poor customer service delivered during the process of the complaint.

Our investigator considered this complaint and decided to uphold it. She cited the Payment Service Regulations 2017, which states that a payment service provider (Tide) is liable for refunding *all* transactions which are found to be unauthorised. The exception to this is if the user (Mr B) has been grossly negligent, which she felt he hadn’t. She also awarded an extra £100 in compensation for the distress and inconvenience she felt Tide had caused. Tide wasn’t happy with this, so the complaint has been passed to me for a final 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’d like to reassure both parties that although I’ve only given an overview of what happened, I’ve read and considered everything we’ve been provided in its entirety.

When considering what’s fair and reasonable, I’m required to take into account relevant law and regulations; the regulator’s rules, guidance and standards; the codes of practice; and, where relevant, what I consider good industry practice at the relevant time.

Where there’s a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

A consumer should only be responsible for transactions made from their account that they’ve authorised themselves. Those rules are set out in the Payment Service Regulations 2017.

Mr B has said he didn't give any permission for the transactions in dispute to be made, and Tide hasn't disputed this. So, the starting point here is that Tide should refund all the unauthorised transactions in full.

Tide initially offered to refund Mr B 50% of the transactions made after he had informed it that his phone had been stolen. Since the initial outcome, Tide accepts it should refund Mr B all the disputed transactions made after he had alerted it that his phone had been compromised. But Tide's position is that Mr B should've been in contact sooner than he did. And by delaying, he allowed the disputed transactions to occur and was in breach of the terms and conditions of the account.

I've considered the timeline of events and Mr B's testimony. Mr B says his phone was snatched out of his hands at around 11pm on 1 August 2024. As he was abroad, he then travelled back to his hotel. Mr B says he didn't have access to a phone there or any means to check his emails or accounts. Mr B says he was on holiday with his friends, but they were staying in a different hotel to him. Mr B says he borrowed his friends phone the next morning to make some calls and check his emails. And it was at this point that he discovered unauthorised activity on his accounts. Mr B has been consistent and convincing in his testimony about the events that took place. Given the circumstances, I think Mr B contacted Tide as soon as reasonably possible, and immediately after he suspected unauthorised activity on his account.

I've also considered whether Mr B's actions could've amounted to gross negligence. In the FCA guidance document for PSR 2017 it states:

*"...we interpret "gross negligence" to be a higher than the standard negligence under common law. The customer needs to have shown a very significant degree of carelessness."*

Considering Mr B's circumstances at the time I don't think his actions amount to gross negligence. His phone and all apps were passcode and biometric protected, so he didn't suspect anyone else would've been able to access his accounts. It follows then that as he didn't think whoever stole his phone could've also accessed his accounts, I don't think his actions amount to a significant degree of carelessness. Had his phone and apps not been passcode protected, or had he been aware that he was being watched using his phone and banking apps I might have reached a different outcome here. So I don't find Mr B's actions to amount to gross negligence.

Our investigator felt it would be fair to award an additional £100 in compensation for the distress and inconvenience caused as a result of Tide's failure to block Mr B's account when it informed it of the loss, and for returning a call to his stolen phone and discussing the complaint with a third party who had possession of his phone. Tide has not disputed this, and I think this award is fair.

### **Putting things right**

Tide should refund Mr B all the unauthorised transactions from his account and add 8% simple interest from the date the payments were made till the date they are paid back. Tide should also pay Mr B the £75 compensation already offered (if it hasn't already) and an additional £100 in compensation for the reasons outlined above and, in the investigators, view.

### **My final decision**

For all the reasons outlined above, I am upholding this complaint. Tide Platform Limited should sort things right as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 June 2025.

Sienna Mahboobani  
**Ombudsman**