

The complaint

A company, which I will refer to as H, complains that Tide Platform Ltd, trading as Tide, won't reimburse money it lost to fraud.

Ms M, who is a director of H, brings the complaint on H's behalf.

What happened

As the circumstances of this complaint are well-known to both parties, I have summarised them briefly below.

In December 2024, Ms M received a series of calls from persons purporting to be from financial businesses and regulatory authorities. They informed her that she had been involved in a data breach and her accounts were at risk.

Ms M was instructed to safeguard her funds and on 12 and 13 December 2024 transferred four payments from H's Tide account on the instruction of the third party.

Soon after the incident, Ms M realised she'd been the victim of fraud and contacted Tide to report the transactions. After considerable delays, Tide recovered some of the money lost, and it reimbursed H the remaining loss it suffered from the bank transfers made to third party Tide accounts. It didn't however reimburse a payment Ms M had made to her own crypto asset wallet for £6,566. It also agreed to compensate H £300 for the inconvenience caused by delays and poor communication.

Ms M remained unhappy with this outcome, as she felt Tide ought to have reimbursed H in full. So, she referred the matter to our service for an independent review. An Investigator considered the evidence provided by both parties and concluded that the remaining payment ought to have been reimbursed. They also awarded interest on that payment, along with interest on the payments that had already been reimbursed.

Tide disagreed with that assessment, so the matter was passed to me to decide. On 25 February 2026, I issued provisional findings to both parties setting out that I intended on departing from the findings set out by our Investigator. My provisional assessment was as follows:

“Considerations

There is no dispute here that Ms M authorised the transaction in question. And the starting position in law is that H will be held liable for the transaction Ms M authorised on behalf of H in the first instance. That is due to Tide's primary obligation to process payments in line with its customer's instructions, as set out in the Payment Services Regulations 2017.

I have inferred from Ms M's submissions that she believes H is entitled to a reimbursement of the money lost under the new FPS Reimbursement Rules that came into effect in October 2024. However, as Ms M made the payment subject to this dispute to an account she controlled, this payment doesn't fall within the Rules' scope.

However, in deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

Considering the above, Tide ought reasonably to have been on the lookout for any transactions that would indicate H was at risk of financial harm from fraud. And where it identifies a risk, it ought reasonably to intervene in that payment, ascertain the purpose of it, and provide warnings proportionate and relevant to the risks presented.

Tide has declined to reimburse the first payment Ms M made toward the fraud as it was a transfer to a crypto asset wallet she controlled. However, payments to one's own account do not automatically absolve Tide of its responsibilities to protect customers from harm. It ought to be alive to the fact that multi-stage payments are a common feature of fraud, and these payments should not be dismissed as 'safe' payments purely because they are being transferred to another account in the customer's name.

Should Tide have done more to protect H from harm?

The remaining payment in dispute was the first made toward the fraud. It was a payment for £6,566 made to a crypto asset company which credited a wallet Ms M controlled. Payments to crypto asset providers inherently carry a greater risk of being attributed to fraud, as payment service providers like Tide ought to have known at the time the payment was made. Our Investigator has already touched upon the reasons why payments to crypto assets carry a greater risk, so I don't intend to repeat that again here.

The payment was also significant in value to this particular payee. While the account was opened only a few months prior to the payment made, Ms M only tended to make payments to trusted accounts, such as her savings and HMRC. So the payment did look out of the ordinary when comparing it to her typical account usage.

This, along with the heightened fraud risk associated with payments to crypto assets, does persuade me that Tide ought to have intervened in the payment made. And that intervention ought to have been with the aim of identifying the purpose of that payment and eliminating the possibility of fraud.

Had Tide carried out a proportionate intervention, I find it likely the fraud would have been identified and prevented. There is no indication in the circumstances of this complaint that Ms M would have done anything other than answer questions truthfully, and that would have easily alerted Tide to the fact that Ms M was in the process of being defrauded: such tactics are well-known and established fraud methods.

As I find Tide ought reasonably to have prevented Ms M from continuing to make payments, it therefore follows that it should be held liable, at least in part, for the loss suffered by H.

Should H bear liability for its loss?

Having considered the evidence carefully and thought about what the law says regarding contributory negligence, I am not in agreement with our Investigator's assessment that H should not bear partial liability for the loss suffered.

Before laying out my findings, I would like to acknowledge the awful experience Ms M has been subjected to. I have read her submissions carefully and can see that on top of the callous fraud that was committed against her and her business, she was experiencing struggles of a personal nature at the time, which she has bravely shared with our service.

While I do acknowledge these struggles, I must also weigh up how these impacted her ability to protect H.

Of importance in this case is that the fraud was carried out over a number of days, with contact with the fraudsters being intermittent up until the stage Ms M began authorising payments from H's account. This meant that—unlike typical frauds of this nature—Ms M had periods of reflection and time to conduct due diligence on the callers she had spoken with.

Ms M has provided evidence of the telephone numbers that contacted her. Open resource research reveals that these cannot be associated with any organisation, or specifically the one the callers were purporting to be from. And Ms M had ample time to look into this and verify the callers were who they said they were either by contacting the relevant organisation or conducting research on the numbers that had called her. Instead, it would appear from the evidence provided that Ms M took what the caller was saying at face value.

Ms M says she was eventually persuaded by the caller when they'd shown her an empty balance in her crypto asset wallet, but I cannot see how this would have been possible. Had Ms M legitimately signed into her crypto asset wallet, there is no way in which a fraudster could have altered the information on her screen to show a false negative balance. Again, this leads me to the conclusion that Ms M likely relied on the information the caller was telling her rather than independent verifiable evidence.

I can also see in Ms M's submission that she identified, at an early stage, an email that was sent to her by one of the callers as fraudulent. She noticed the hidden email address as suspicious in nature and that the email had not addressed her by name, so dismissed this as a scam. This supports the fact that Ms M was alive to such risks and fraud identifiers, and did have an ability to protect herself. But it would appear however that she did not exercise the same degree of caution despite recognising that an email that had been sent by one of the callers appeared to be fraudulent.

I do understand that fraud of this nature is carried out by persons adept in social engineering and manipulation. But here, I am persuaded that Ms M could have done more to protect H from fraud. I therefore find that H should be held equally liable for its loss – equating to a 50% reduction of the payment made.

For the benefit of both parties, I have noted from the evidence Ms M has provided that the payment made from H's Tide account was converted to £6,333.21 worth of crypto assets and then sent on the fraudster. It is therefore reasonable to only reimburse 50% of this amount.

Interest payments

As Tide ought to have prevented the loss from the point of payment, it should add 8% simple annual interest to this amount running from the date of payment to the date it settles. That is to reflect the deprivation of those funds during that period.

I have also noted that there were delays in Tide reimbursing the payments made that were covered by the FPS Reimbursement rules. As set out in those rules, Tide is expected to provide a reimbursement within five business days of reporting unless it is required to use the 'stop the clock' provision. Here, Tide has not relied upon any such argument.

H had to wait considerable periods for its reimbursement to be paid, and I therefore find it reasonable to add interest within these periods to reflect the deprivation of those funds again.

As such, Tide should also pay H 8% simple annual interest on the payments it has already reimbursed, running from five business days after Ms M reported the fraud, to when it either reimbursed those funds, or paid recovered funds back to her.”

As both parties have now responded to those findings, I am able to issue my 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.

Ms H didn't provide any other comments for consideration other than clarifying some of the findings made and redress to be awarded.

Tide has continued to assert that the payment in dispute did not appear out of character or unusual for H's account and has pointed to only a few transactions being made on the account prior.

I had already considered this in my provisional findings, and Tide had already made this observation before I reached my findings, so I don't deem this new information I had not already considered.

Tide has failed to acknowledge that the combined factors of the payment being of high value, to a newly set up payee, and being made to a crypto asset platform is highly indicative of fraud, regardless of the lack of prior account activity or age of an account.

Tide has also pointed out that my decision relies upon a significant amount of hindsight that it did not have at the time with regards to my stating that it could have prevented the fraud. I acknowledge that my findings are based on what I find would have been the more likely outcome had Tide correctly intervened in the payment.

Of course, I cannot know for sure what would have occurred, but my findings are based on the fact that the fraud Ms M was subjected to was a common type of fraud. And had Tide intervened in the payment, as I think it ought to have, this would have been picked up relatively easily by its representatives. It is therefore likely that the fraud would have been prevented from that point.

Overall, Tide's further submissions have not persuaded me to depart from the findings set out in my provisional decision.

Putting things right

Tide should now go ahead and reimburse H 50% of the loss suffered, being £3,166.61 by my calculations.

It should also pay 8% simple annual interest on this amount, running from the date of the payment to the date it settles.

It should also pay 8% simple annual interest on the amounts it has already reimbursed H, running from five business days after Ms M reported the fraud, to when it either reimbursed those funds, or paid recovered funds back to her, for the reasons I have set out in my provisional findings.

My final decision

For the reasons I have given above, I uphold this complaint and direct Tide Platform Ltd to settle this complaint as I have set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask H to accept or reject my decision before 9 April 2026.

Stephen Westlake
Ombudsman