

The complaint

Mr M complains that Zopa Bank Limited (Zopa) failed to close his bank account and didn't return the balance to him.

What happened

In August 2024 Mr M £13.82 to his credit card account. That should have settled the account, and it should have been closed, but an error was made and a 1p credit balance remained.

In October 2024 Mr M complained to Zopa and on 30 October 2024 they responded, refunded the 1p balance and offered to pay Mr M £50 in compensation for the distress and inconvenience caused.

When Mr M referred his complaint to this service our investigator thought Zopa's offer of compensation was reasonable but as Mr M disagreed, his complaint has been referred to me, an ombudsman, 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 think Zopa have done enough here. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

There's no dispute that an error was made, and Mr M has been inconvenienced by that. The account was still being reported to his credit file and he was deprived of the 1p balance. I don't think the presence of the account with a positive balance would have made a big difference to Mr M's ability to obtain credit and I've not been provided with evidence that was the case. Zopa retained the balance for about two months, but it was so small that I think the impact of that will have been negligible on Mr M. All told, I'm persuaded that the compensation Zopa paid in respect of the issue was reasonable and I'm not asking Zopa to take any further action.

While the account will have continued to be reported to Mr M's credit file while it was open Zopa have confirmed that they have now reported it as closed.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or

reject my decision before 20 February 2025.

Phillip McMahon
Ombudsman