

## **The complaint**

Miss E complains that she was misinformed by Zuto Limited when brokering a finance agreement for a car.

## **What happened**

In May 2024 Miss E applied for car finance with Zuto. She requested a finance agreement with no deposit.

On 11 May 2024 Zuto submitted a quote for an advance amount of £6,499 with no deposit.

Initially Miss E was matched with Moneybarn, with a quotation of payments of £172 per month with a zero deposit. However, Moneybarn required Miss E's previous payslip and as she was unable to provide this the deal couldn't proceed.

Zuto then matched Miss E with Zopa. Zopa declined the application at the quotation stage but said they would be able to accept the loan if there was a £356.50 deposit put down on the vehicle price. The monthly payments would be £154.10.

On 11 May 2024 Zuto sent a new quote for an advance amount of £6,142.50 with a £356.50 deposit. The loan amount was accepted by Zopa subject to underwriting checks. These were completed and the application was fully accepted on 13 May 2024.

On 13 May 2024 Zuto sent another application for an advance amount of £6,499 with no deposit. This was declined by Zopa at the quotation stage and a message sent back saying they would accept the loan if there was a £356.50 deposit put down.

On 14 May 2024 Zuto sent a further application for an advance amount of £6,142.50 with a £356.50 deposit. The loan amount was accepted by Zopa subject to underwriting checks and was fully accepted on 15 May 2024.

The application was then paid out by Zopa to Zuto and the loan was created on 16 May 2024.

Miss E raised a complaint. She said she'd been told during calls with Zuto that she didn't need to pay a deposit. She was unhappy that she was now being asked to pay a deposit of £356.50 and felt that she'd been misled into paying the administration fee.

Zuto didn't uphold the complaint. Miss E remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. They said that Zuto had input the correct application details for Miss E and had no control over Zopa's deposit requirements.

Miss E didn't agree. She said Zuto had always been aware that the finance option with Zopa would always require a deposit. Miss E said this was evidenced by the fact that the applications to Zopa based on no deposit were rejected.

Because Miss E didn't agree I've been asked to review the complaint.

### **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 know it will disappoint Miss E, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a 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.

I've listened to the available call recordings. It isn't in dispute that Miss E made Zuto aware that she wanted a finance option with no deposit. I can see that Zuto submitted quotes for an advance amount with no deposit.

One lender – Moneybarn – was prepared to proceed on the basis of no deposit but required further payslips from Miss E which she wasn't able to provide. So this application couldn't proceed.

Miss E has said that she was never informed that it wouldn't be possible to purchase the car without a deposit. She's also said that the Zuto sales representative knew that Zopa wouldn't provide finance without a deposit but despite this she was made to provide documents and pay a deposit.

I've thought about what Miss E has said. Generally, I'd expect lenders to require income verification in support of a loan application in order to assess affordability, so I don't think it's unreasonable that Miss E was required to provide payslips and other information. With regards to the deposit, and having listened to the calls, I'm satisfied that Miss E was made aware that a deposit would be required to secure the vehicle and the loan amount and that she agreed to proceed on that basis.

Miss E had the option to decline the loan and not to proceed if she wasn't happy to pay the deposit. I can see that the loan was approved on 16 May 2024, and it wasn't until 28 May 2024 that Miss E first raised a complaint about the deposit.

I appreciate that Miss E wanted a finance deal with no deposit payable. However, I haven't found any evidence to suggest that Zuto guaranteed that such a deal would be available. I've thought about whether Zuto could've done things differently, However, I can see that Zuto attempted to get a zero-deposit deal for Miss E. Ultimately, it's up to the individual lender – in this case Zuto – as to what loan to value criteria it applies and whether a deposit is required. Zuto as a broker have no control over a lenders lending criteria.

Taking all the available information into account, I'm unable to say that Zuto has made an error or done anything wrong. I won't be asking Zuto to change the agreement or refund the deposit.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 5 June 2025.

Emma Davy  
**Ombudsman**