

The complaint

Mr S complains Zopa Bank Limited unfairly defaulted his account.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my decision.

For clarity, this decision only concerns the defaulting of Mr S' account. His complaint point about £300 being withdrawn from his credit card account would need to be addressed separately, and by Zopa, in the first instance.

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.

Having considered everything, I've reached the same conclusions as our Investigator, for these reasons:

- Mr S failed to make payments towards his credit card account between April and August 2024. Because of this, Zopa sent a notice of default in the post. This explained he needed to pay £159.79 by 3 September 2024, and what would happen if that payment wasn't made.
- Mr S has explained he'd been out of the country for some time and was unable to make repayments himself. But he'd asked a friend to make the payments on his behalf. I am sorry to hear about the difficult circumstances that caused Mr S to need to be away, and the impact they had on him. However, I've not seen any evidence to show payments were made to his credit card account between the dates detailed above – by him, or someone else. Business' like Zopa are expected to consider defaulting an account when there are between three to six months of arrears, so I don't consider they treated Mr S unfairly when they issued the notice of default in August 2024.
- Mr S had been in communication with Zopa about his account from around March 2024. Having reviewed those emails, I can see he explained the difficulties he had making payments, and he shared various differing dates of when he expected to return to the UK. And when Zopa asked Mr S questions to understand what support he might need, Mr S did explain he wasn't working at the time.
- On 4 September 2024, Zopa agreed to put a hold on Mr S' account until 14 September 2024. However, they didn't clearly explain this hold was only regarding communication being sent to Mr S. But even if Mr S had mistakenly thought the hold would prevent his account from defaulting before 14 September 2024, he didn't make a payment until 18 September 2024. So, his account always would have defaulted - even if his misunderstanding was the reality of the situation.

- Given the arrears on Mr S' account, I don't consider Zopa treated him unfairly when they defaulted his account on 8 September 2024. A credit file is meant to be an accurate reflection of how a customer has managed their account. So, while I empathise with the circumstances that contributed to the management of his credit card account, I don't agree Zopa are reporting unfair or inaccurate information to credit referencing agencies. It's for this reason I don't consider they need to do anything further to resolve things.

I know this will come as a disappointment to Mr S, but I'm not upholding his complaint.

My final decision

My final decision is that I'm not upholding Mr S' complaint about Zopa Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 July 2025.

Sarrah Turay
Ombudsman