

## **The complaint**

Miss G complains about the way ZILCH TECHNOLOGY LIMITED ('Z') acted toward her when she was having financial trouble.

## **What happened**

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

Miss G had financial difficulties, so she contacted Z about it. She said it continued to take payments from her even after she had revoked consent for it to do so using its app. She says that eventually she had to get her bank to block the payments.

Miss G complained about this situation to Z. It apologised for any confusion or miscommunication that might have occurred during her interactions with it and accepted it did not provide the level of service it aimed to provide. It also added £10 credit to Miss G's account by way of an apology.

Miss G said that this was not acceptable. In summary, she says that Z continued to take payments after she revoked consent for it to do so on 8 May 2025.

Our investigator recommended that Z pay Miss G an additional £65 for the distress and inconvenience it caused her. However, Z disagreed with this and asked for an ombudsman to review the case.

## **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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

In considering what is fair and reasonable, I need to have regard to the 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 relevant time. This includes the FCA's Consumer Duty. The FCA's Consumer Duty, which sets high standards of consumer protection across financial services and (amongst other things) requires firms such as Z to give customers the information they need, at the right time, and in a way they can understand – so that they can make informed financial decisions.

Miss G appears to have raised a few other issues while the case has been with this service – however, my role here is to address the complaint which she brought to Z initially and which was referred to this service.

From what I can see Miss G appears to have first contacted Z about her financial difficulties on 10 May 2025 in an online chat. However, as it was out of hours she is told to message

again the next day. She does so and in this chat it appears that Z refer her issues to a specific team and inform her they will be in touch.

From what I can tell this message was not passed on – so the team didn't reach out to Miss G in a timely way. I can see that at the time Z appear to have offered some advice regarding Miss G contacting a debt charity (which she confirmed she had done), however it was not ideal that she did not get information about the options that Z could offer her in regard to a payment plan as soon as she could have done. This appears to have led Miss G to go and arrange to have payments blocked via her bank account when she might not have done otherwise.

I'm not persuaded that Z's delay likely caused payments to be taken from Miss G that would not have been otherwise. It seems two instalments came out her bank on 12 May 2025. But these seem to have been requested by Z on 11 May 2025 (which appears to be the first day she got in touch with a human advisor about her difficulties). In any event, the instalments taken were low value and Miss G has not shown they caused a material impact. However, I can see how the delay in Z's support team reaching out would have caused an avoidable level of distress and inconvenience.

I note the focus of this case is Miss G says she withdrew consent for Z to take payments from her bank on 8 May 2025 so Z should not have taken any from this point onward. Miss G has sent in some screenshots to illustrate what she means. It has since been clarified that Miss G mistakenly thought she was withdrawing consent for payments when she was withdrawing consent for Z to access her bank account details for Open Banking. So I am not persuaded that Z was fairly prevented from taking payments by Miss G doing this.

I note when Miss G got in touch with Z on the chat to query this leading up to her complaint she mentioned several times that she had withdrawn consent for it to take payments. Z questions how it would have known Miss G was referring to Open Banking. But Z never took the time to explore what she meant – or why she considered this to be true. Had it done so I think Miss G likely would have sent the same screenshots to Z which she sent this service. And things would have been clarified more quickly. It would not necessarily have changed much here– but it would have allowed Miss G to better understand what had occurred and reduced the amount of distress and annoyance she had repeating herself under a mistaken impression. And although Z has said the process of withdrawing consent mentions Open Banking I can understand why Miss G wasn't clear here. And I don't think it means that it couldn't have assisted Miss G better with the confusion she had in any event.

In considering what is fair I note that Z did apologise for the delay in its financial difficulties team reaching out. And paid her a £10 credit to her account. It has also since provided a more detailed explanation about how Miss G can set up a plan with it. However, in the circumstances (and noting Miss G appears not to have objected) I think the additional £65 recommended by our investigator is fair to reflect the distress and inconvenience caused by Z's customer service. I say this for the reasons I have already given above.

From what I understand Miss G has the information she needs from Z about the options for setting up a payment plan. Z says Miss G has not reached out to it to put one in place. However, Miss G can contact Z about doing this now if she wishes. If she does so Z has to treat her positively and sympathetically going forward.

### **Putting things right**

Z should pay Miss G £65 additional compensation. Miss Z says she doesn't want this as account credit so Z should pay her this in cash to her nominated account.

**My final decision**

I uphold this complaint and direct ZILCH TECHNOLOGY LIMITED to pay Miss G £65 in compensation for the distress and inconvenience caused by it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 18 November 2025.

Mark Lancod  
**Ombudsman**