

The complaint

Mr R complains Zopa Bank Limited is holding him liable for a credit card which he says was taken out and used fraudulently.

What happened

Mr R reports that, around January or February 2024, he received a call claiming fraud was being committed against him and that he needed to provide some personal details. He says he was also sent a text which he was told would be used to verify him and gave the caller a passcode from it.

Mr R has largely said he thought this call came from Zopa, but at one point said he thought at the time it was from his existing bank. He has also mentioned clicking a link he was sent, which he says appeared to download something which he thinks may have given the caller remote access to his phone. However, he says he has since got rid of the phone as it was malfunctioning and overheating so has no records of the calls or what he downloaded.

A few weeks later Mr R says he found out a credit card had been taken out in his name with Zopa. Other lending had also been taken out, and there was £25 spending on his existing credit card which he disputed. I understand the other new lending was cancelled but that he was held liable for the charge on his existing credit card. Mr R believes the call he received was from a fraudster who tricked him into sharing details and access in order to apply for the lending and make these transactions.

Mr R reported to Zopa that the credit card, which had been used to spend almost £650 (the credit card limit), had been taken out and used fraudulently. But Zopa held him liable; it concluded there wasn't sufficient evidence of fraud, noting Mr R's genuine details had been used on the application.

Unhappy that Zopa was holding him liable, Mr R referred the matter to our service. Our investigator didn't uphold his complaint. In summary, she concluded Mr R hadn't provided sufficient evidence of the alleged scam call, phone access, or how someone could have intercepted his post to access the card – as well as accessing his PIN via the Zopa app.

Mr R has appealed the investigator's outcome. He says the fraudster called him a few times and asked for his passport, driving licence and various passcodes – suggesting that is how they accessed the PIN used to complete several cash withdrawals. He believes Zopa's staff fraudulently contacted him, and says it shouldn't have granted the application without his ID.

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 appreciate this will be disappointing for Mr R. But, for the following reasons, I've decided not to uphold it.

I've considered what level of access and information an unauthorised person would have needed to apply for and use the credit card. As our investigator noted, the application was made using Mr R's genuine details including his postal address, phone number and email address. He says he was tricked into providing all these details during the scam call. That could account for how these details were obtained. But it would suggest the caller didn't initially know where Mr R lived.

This seems unusual and risky for a fraudster. Depending on Mr R's location and post set up, they might not have been able to intercept the card. I also consider it risky for a fraudster to use his genuine email address and phone number. Using different details would have limited the chances of detection – and negated how much involvement was needed from him.

Mr R told Zopa he had an in-door post box. This would have made it difficult for the fraudster to intercept the envelope containing the credit card, which was posted to his genuine address. However, Mr R says the lift at his flats had been broken and so the postman had been leaving post on the reception area floor. It would surprise me for a postal carrier to leave post on the floor in a communal area when the flats have (as Mr R has told us) in-door post boxes due to a lift being out of service; this would potentially breach expected standards.

Regardless, I agree with the investigator that the records Mr R has provided about the issues with the lift are limited. They don't make it clear there was a problem at the time the credit card would have been (attempted to be) delivered. When giving her outcome, the investigator mentioned she would consider any further evidence Mr R could provide about this – but he's confirmed he can't provide anything else.

Additionally, despite being able to provide (partial) screenshots of the texts about the issues with his lift, which Mr R says were ongoing at the time the card would have been delivered, he hasn't been able to provide any records of the call(s) or text(s) received during the scam. Nor has he been able to provide any records of the app he says he downloaded. Mr R says this is because his phone started malfunctioning so he got rid of it. But he can't provide any records regarding this either.

I do consider it surprising that Mr R isn't able to provide any details of the contact during the scam, or at least to back up that he got rid of his phone (and when he did this). Particularly when he has been able to provide some texts about the lift issues. It could be this is because the texts about the lift were sent later – but again that highlights the problem with the lift evidence and its timing.

I did also notice that Mr R told our investigator that he got rid of his phone due to it not working. But when first reporting the matter to Zopa, he said the phone started "*playing up*" but that the "*issue seemed to resolve itself*" after he "*turned his phone on and off*". So, it's unclear when/whether Mr R got rid of his phone, at least of the time of reporting the fraud to Zopa. And if he got rid of it later, it does surprise me he would do this if he believed it had been used during the scam – in case it contained relevant evidence.

This is particularly relevant given the nature of the transactions. The bulk of the loss came from cash withdrawals, which required use of both the physical card and its PIN. So, in addition to intercepting his card, an unauthorised person would have also needed to have gained Mr R's PIN from the Zopa app – which required a code sent to his genuine phone number as well as the passcode used to set up the account.

We have no records from Mr R's phone to show what apps he downloaded or what calls and texts he received. So, I can't verify whether he downloaded any software, as he's suggested, that may have enabled someone to view (and delete) messages or access any apps. Nor do I have any records to help support what might have been shared and when.

Furthermore, Mr R told us the fraudster called him prior to the card being applied for. So it's unclear how they would have been able to get access to his PIN later on. It was only after the investigator pointed this out that Mr R said there had been multiple scam calls. But I can't see any previous mention of there being further calls later on. And again, we don't have any records of his calls to back this up.

More broadly, I don't consider Mr R has provided much detail or persuasive explanation for why he believed the scam call and would therefore have shared extensive personal information with the caller. Particularly if he thought the call about fraud was from Zopa – given that he doesn't appear to have had an active account with them at the time.

I therefore don't think I have enough persuasive evidence to show Mr R's explanation that a fraudster made the application and payments is the more likely one. There are no records of the call or how the phone was used to support how the application could have been made and the PIN obtained by someone else. And I'm not persuaded it's likely the posted card could have been intercepted. I have considered whether there could be another convincing explanation for how an unauthorised person could have done this. But I don't think there is; Mr R has confirmed that he lives alone and no one else had access to his phone.

I also don't think Zopa had cause to suspect the application was connected to fraud until Mr R reported his dispute. His genuine details were used and the card was being sent to his genuine address, as verified from its credit checks. While Mr R says it should have required identity documentation from him and/or called him, that's not a requirement. In the circumstances, I consider it fair for Zopa to treat the account/payments as authorised – and therefore don't think it needs to cancel the debt.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 February 2026.

Rachel Loughlin
Ombudsman