

The complaint

Mr N complains about the level of service and communication he received from Zopa Bank Limited in relation to a personal loan.

What happened

In January 2022, Mr N successfully applied for a personal loan with Zopa. The loan was for £2,500 to be repaid over a period of 36 monthly payments of £107.51. The loan had an APR of 35.8%.

Mr N made the required payment each month until September 2024 when the payment failed. Mr N says this was because he was going through some financial difficulties at the time – and had contacted a debt management charity for support. The missed payment was made the following month – but the payments due in October and November 2024 also failed. Throughout December 2024 and January 2025, Zopa contacted Mr N to request the overdue payments.

Mr N made a complaint. He said the level of contact he received from Zopa was excessive, especially considering he was only in arrears by around £200. He later complained that Zopa had failed to send him an up-to-date loan statement when he asked it to. Zopa didn't think it had done anything wrong. It said it had paused phone contact in November 2024 when Mr N told it he was working with a debt charity – but resumed collections activity after it hadn't heard anything further for several weeks. In a second response, Zopa apologised that it hadn't sent Mr N a statement when he'd asked it to and offered £50 to recognise the inconvenience caused.

The complaint was referred to this service. One of our Investigators considered the complaint and didn't uphold it. They didn't think Zopa had made an error when dealing with Mr N's loan. They said they couldn't comment on the delay in issuing a statement as this point wasn't raised as part of Mr N's initial complaint. Mr N didn't agree, and asked that the complaint be referred to an Ombudsman for a final decision.

I wrote to both parties to let them know that, in my decision, I intended to comment on Mr N's concern about the delayed statement. But, ultimately I thought Zopa's offer of compensation in respect of this was fair. Mr N didn't agree, and said he expected Zopa to be fined £10,000 - and to be compensated an additional £5,000 – for each error. He also raised wider concerns about the way Zopa operates, as well as its decision to transfer customer data overseas and the way it linked his credit card and loan accounts. He felt Zopa was using technology to 'cheat' its customers including him – for example, he recalls the loan being sold with an APR of 34.5% - but it's now 35.8%. He said the interest Zopa charged on its loans was too high. I've considered Mr N's comments and have now reached a decision on the matter.

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.

If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my decision on the balance of probabilities – what I think is more likely than not to have happened given the available evidence and wider circumstances.

Mr N has raised several concerns about Zopa. Some of these haven't been raised with Zopa directly at this stage – including:

- Zopa processing Mr N's data overseas;
- The way Zopa disclosed the interest rate on Mr N's loan;
- The level of interest being too high; and
- The interlinked nature of Mr N's credit card and loan accounts.

I can only comment on a complaint once a business has had the opportunity to respond to it directly, so I haven't considered those issues here. In this decision, I'll focus on the complaints Mr N has previously raised with Zopa.

Mr N has also raised wider concerns about the way Zopa operates its accounts. In this decision I've considered Mr N's individual complaint. It's not my role – nor the role of this service – to direct Zopa to operate its business in a certain way or to fine or punish Zopa for its errors. Where I think Zopa has made a mistake or otherwise treated Mr N unfairly, I've considered what it ought to do to put things right.

I can understand why Mr N was unhappy to have received calls from Zopa. From his perspective, he'd only missed two payments under the loan and was making efforts to repay the arrears as soon as possible. Under the relevant rules, lenders shouldn't contact customers at unreasonable times and must pay due regard to the reasonable requests made by customers (such as those working shift patterns). There's no set maximum number of times a lender can contact a customer – and what is considered reasonable will vary depending on the individual circumstances of the loan and customer. I understand Zopa waited a few weeks before it started contacting Mr N – as he'd told it he was in the process of dealing with a debt management charity. I don't think it's unreasonable that Zopa contacted Mr N to find out what was happening after it hadn't heard from him for several weeks.

I've looked at the record of calls from 12 December 2024 (when Zopa resumed contact with Mr N) to 31 January 2025. During this period, there were around 40 calls – including some which appear to have come from Mr N. While there were some days where multiple calls were made, there was usually a gap of at least a few days between calls. These calls largely took place in the late morning and early afternoon – and I haven't seen anything to suggest Mr N asked to be called at specific times. I understand Mr N found these calls frustrating and inconvenient. But by the time Zopa resumed contact with him his loan was two months in arrears. Had those arrears continued to accrue, Zopa may have taken other collections action such as recording a default. In the circumstances, I don't find that Zopa made an error or treated Mr N unfairly when it contacted him or that it made excessive contact.

I've considered Mr N's other concerns. Mr N is concerned the interest rate on his loan has increased since it was taken out. I've checked the agreement which Mr N signed in 2022. This lists an APR of 35.8% - which is consistent with the interest Zopa has charged on the loan. I haven't seen any other evidence to suggest that the agreed APR on the loan was 34.5% as Mr N suggests. Mr N says Zopa has tried to 'cheat' him using technology – but I can't see that he's explained how he feels Zopa has cheated him or provided evidence of this. I haven't seen sufficient evidence to persuade me that Zopa changed the interest rate

on Mr N's loan.

Finally, it's not disputed that Zopa didn't produce an up-to-date loan statement when Mr N asked it to, and that it only provided this after he raised a second complaint. While the delay would have caused some frustration, I don't think it caused any significant impact to Mr N beyond that. I say this because I'm satisfied Mr N had other ways to check his balance – such as online or by phone. Zopa also included a complete transaction history in both of its responses to Mr N's complaints. Zopa has offered Mr N £50 to recognise the inconvenience caused by its delay. I appreciate Mr N has asked for significantly more than this – but I'm satisfied the offer Zopa has made is fair in the circumstances for the reasons I've explained. So, I don't require Zopa to do anything more than that, and it should make the payment of £50 if it hasn't already.

My final decision

Zopa Bank Limited has already offered to pay Mr N £50 to settle his complaint, and I think this offer is fair in the circumstances.

So, my decision is that Zopa Bank Limited should pay Mr N £50 – if it hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 10 December 2025.

Stephen Billings
Ombudsman