

## **The complaint**

Miss A is unhappy that Zopa Bank Limited won't return a large payment she made to them by mistake.

## **What happened**

Miss A had a Zopa credit card account which had defaulted with a balance of approximately £1,000 and to which Miss A was paying £20 per month in agreement with Zopa to reduce the outstanding debt.

In June 2025, Miss A mistakenly made a payment to Zopa that cleared the full outstanding account balance, rather than the £20 she had agreed with them. Miss A contacted Zopa and asked for the payment to be returned, but Zopa refused. Miss A wasn't happy that Zopa wouldn't return the money to her, so she raised a complaint.

Zopa responded to Miss A but didn't feel they'd done anything wrong by applying the money Miss A had paid to her account and then settling and closing the account accordingly. Miss A wasn't satisfied with Zopa's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel Zopa had acted unfairly as Miss A felt was the case and didn't uphold the complaint. Miss A remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

## **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.

Miss A accepts that she made a mistake in the payment amount that she sent to Zopa by bank transfer, and she also accepts that she owes Zopa the money that she mistakenly sent to them. But Miss A has explained that having arranged to pay £20 per month, the accidental payment of nearly £1,000 left her in a difficult financial position and she feels that Zopa should have taken her financial position into account and reimbursed the mistaken payment back to her.

Zopa's position is that they couldn't reimburse Miss A. This is because the payment constituted a full payment to a defaulted account, which having received full payment, was automatically settled and closed by their systems. This meant that any payment that they made back to Miss A would have to be a new line of credit, which Zopa were unwilling to do, given that Miss A had defaulted on the line of credit they had previously provided to her.

I find Zopa's position to be reasonable here, to a degree. Ultimately, Miss A did owe the money she sent them, and it was owed in full, given that Miss A had defaulted on the repayment terms of the account she agreed to when she opened the account.

But I'm also conscious of the financial difficulty that Miss A may have faced having had such a large payment mistakenly leave her account. In her submissions to this service, Miss A

has explained that because that money hadn't been available to her, she'd been unable to meet some priority bills and had to borrow money to cover essentials. And if that were the case, then I potentially wouldn't feel it fair for Zopa to have retained the money Miss A paid them by mistake, regardless of any systemic challenges they may have faced in returning the money to Miss A.

Accordingly, I asked Miss A to provide a full copy of her credit account and her bank statements for the months including and surrounding June 2025, so that I could assess her financial position before and after the payment was made.

Having reviewed Miss A's credit file, it's notable that Miss A has several credit accounts that defaulted around the time in question. This can be an indicator that a person is experiencing financial difficulty. However, when I reviewed Miss A's banks statements, I found it difficult to reconcile Miss A's spending patterns with the large number of defaults on her credit file or find any tangible indicators of financial difficulty.

I say this because in the months immediately surrounding the mistaken payment in June, Miss A's bank account wasn't overdrawn for any prolonged length of time, and because there are significant amounts of leisure and retail spend. These include cinema visits, eatery spending, and online retail spending. Miss A also receives payments from third parties which references a trip to Dubai and she also undertakes spending in Dubai. There's also no evidence that Miss A had to borrow money or couldn't meet her priority bills.

In consideration of these points, from an impartial perspective, I find it very difficult to conclude that Miss A was in financial difficulty at the time of, or after, she made the large payment to Zopa that she did. And because of this my final decision is that I do not uphold this complaint or instruct Zopa to take any form of action.

This is because I'm satisfied that Miss A owed Zopa the money that she mistakenly paid to them, and that it was therefore reasonable that Zopa applied the money to her account, which resulted in the account being closed. I also don't feel that the evidence that Miss A has provided to this service corroborates her claim that she experienced financial difficulty because Zopa didn't return the money to her.

I realise this won't be the outcome Miss A was wanting, but I hope that she will understand, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 17 March 2026.

Paul Cooper  
**Ombudsman**