

The complaint

Mr S complains that Zopa Bank Limited delayed the transfer of his individual savings account (ISA) from another provider.

What happened

On 15 April 2025, Mr S requested an ISA he held with another provider, V, to be transferred to Zopa. He was told the transfer could take up to 15 days, but it not complete until 20 May 2025. Mr S complains about how Zopa handled the transfer.

The investigator thought that Zopa should pay Mr S a total of £250 for the distress caused to him.

Zopa accepted what the investigator said. Mr S did not. He responded to make a number of points, including:

- The investigator had dismissed his medical episode as being due to a variety of possible causes. He was not qualified to make that assessment. The trigger for it was the actions of V and Zopa.
- His holiday was severely disrupted because of what happened.
- It was an insult to say that Zopa should only increase the compensation by £200.
- The proposed compensation is absolving Zopa and V of responsibility for what went wrong and will not make them change the way they do business.

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.

We are an informal dispute resolution service. Where we find a business has not treated a consumer fairly or reasonably we have the power to award compensation for financial loss and/or distress, inconvenience, pain and suffering to reflect the impact on a consumer when they have not been treated fairly. We do not have the power to fine or punish businesses, or to tell them to do things differently.

My role is to determine what is fair and reasonable in the circumstances of this complaint. And having reviewed everything I largely agree with the conclusions reached by the investigator.

The evidence I have shows that Zopa did not respond to emails from V attempting to progress the transfer. That meant the first attempted transfer was delayed and ultimately cancelled by V. When the second transfer was attempted it completed on 20 May 2025.

The service from Zopa was also poor. It did not properly address Mr S's legitimate concerns

or really get to grips with what had happened. That also led Mr S additional inconvenience in contacting V.

The transfer could take up to 15 days – it actually took 35 days – so 20 days longer than it should have. Mr S was receiving interest at 4.11% until 20 May 2025 on his ISA with V. Zopa has told me the interest rate it paid was 4.21%. The difference in interest was small and only likely to be a few pounds, but I consider Zopa should make sure that Mr S does not lose out because of the delay and should pay him the difference. (0.1%) for the 20 day delay.

I've thought carefully about what is a fair amount of compensation to reflect the impact on Mr S of this matter. I was sorry to hear of Mr S's medical episode. I won't include details, as we avoid personal information in our published decisions. I don't doubt anything he's told us about the impact of this matter on him and I understand why he feels Zopa is responsible. But I do not have sufficient evidence to say that the mistakes made by Zopa were the sole or primary cause of that episode – or even that it contributed to it. So I could not reasonably say that Zopa should compensate him for the impact on his health.

I accept that it must have caused Mr S a great deal of worry and stress when Zopa could not reassure him that his funds were safe or give him accurate information for around a week. I have also taken into account that Mr S was on holiday at the time in question and this matter will have spoiled his enjoyment of the holiday. But in all of the circumstances, I consider £250 in total is a fair amount to reflect the impact of this matter on Mr S.

My final decision

My final decision is that Zopa Bank Limited should:

- Pay Mr S £250.
- Pay Mr S the difference in interest of 0.1% for twenty days on the balance as it was when it received the transfer.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 January 2026.

Ken Rose
Ombudsman