

## **The complaint**

Miss K complains that she's unable to access her virtual credit card account with Zilch Technology Limited due to a system update.

## **What happened**

Miss K holds a virtual credit card account with Zilch. In May 2025 Miss K contacted Zilch because she was unable to receive a One Time Password in order to access her account. This was because her account was linked to an old email address. Miss K asked Zilch to update her email address so she could access the account.

Miss K messaged Zilch many times about the issue but Zilch said it wasn't able to update her email address

Miss K wasn't able to access her account to check whether any payments were due and was subsequently advised that she'd missed a payment.

Miss K complained to Zilch. Zilch issued a final response in which it apologised and said it couldn't update the email address on Miss K's account due to a system issue. It said the account would need to be deleted before a new account with a new email could be opened.

Miss K remained unhappy and brought her complaint to this service. She said she'd closed her account and tried to open another one with a new email address but hadn't been accepted.

Our investigator upheld the complaint. They said the issue had continued for several months and Zilch's inability to amend the email address had caused Miss K a considerable amount of distress and inconvenience. The investigator said that Zilch should pay compensation of £150 to Miss K.

Miss K didn't agree. She said she didn't think the compensation reflected the level of distress and inconvenience she'd suffered.

Because Miss K didn't agree I've been asked to review the complaint.

## **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.

It's not in dispute that a system issue meant that Zilch wasn't able to update Miss K's email address. Nor is it in dispute that this issue continued for several months and ultimately wasn't resolved. Zilch has apologised to Miss K for the issue and suggested that she close the account and open a new one using her current email address.

I understand that this has been a frustrating experience for Miss K. She's explained that she was worried about missing payments. I've checked the account history and I can't see that there's been any impact to Miss K's credit file as a result of the missed payment. Miss K

agreed a payment arrangement with Zilch in February 2025 and this is reflected on her credit file.

I appreciate that the issue went on for some time and ultimately wasn't resolved. It's clear that Miss K has been caused distress and inconvenience as a result.

I appreciate that Miss K has tried to open a new account recently. She's told this service that she wasn't accepted. I'm sorry to hear that – but I'm unable to take this into account for the purposes of compensation because this wasn't part of Miss K's initial complaint to Zilch and any application for credit is always subject to the lender's lending criteria.

I've taken account of what Miss K has said and I've had regard to the relevant guidelines on compensation published by this service. On balance I think the compensation recommended by the investigator is fair and reasonable.

### **Putting things right**

To put things right Zilch Technology Limited must pay compensation of £150 to Miss K.

### **My final decision**

My final decision is that I uphold the complaint. Zilch Technology Limited must pay compensation of £150 to Miss K.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 3 March 2026.

Emma Davy  
**Ombudsman**