

The complaint

Miss L complains that Zilch Technology Limited (Zilch) isn't able to update the email address linked to her account.

What happened

In May 2025, Miss L complained to Zilch saying she repeatedly asked for the email address linked to her account to be updated without success and therefore couldn't access her account. She explained that after speaking to Zilch's customer service team, she'd been advised that the only way to change an email address was to close her account and then reapply three months later under the new email address. Miss L didn't think this fair or proportionate for what was a simple update of customer data needed due to her no longer having access to the email address she used to initially open her Zilch account.

Zilch responded on 6 May 2025 and repeated that changing of an email address wasn't something it could currently facilitate. It said Miss L would need to close her account (to do so she would need to fully repay what she currently owed), then she could reapply. Once the new account was created, Zilch would restore her credit limit and remove any additional searches from her credit file. Zilch acknowledged this wasn't convenient and offered £100 in compensation. Miss L accepted this.

On 8 May 2025, a Zilch advisor again said Miss L would need to delete her account and then reapply three months later, but that would require another credit check that may mean she receives a different credit limit. Miss L continued to remain in contact with Zilch regarding this, as not being able to access her account was causing issues with repayments, her account being blocked and unrecognised transactions. Unhappy with the situation, Miss L referred her complaint to the Financial Ombudsman Service.

On 8 August 2025 Zilch issued another response saying it was working to resolve the issue with its inability to be able to change the email address linked to an account. Zilch said it would be in contact again once a solution was available. Miss L said the matter had already been referred to the Financial Ombudsman Service but asked Zilch if it would be willing to offer further compensation for the additional distress caused by the extended time for a resolution. Zilch said it would be willing to offer a further £30.

Miss L didn't think this was sufficient, when the situation still hadn't been resolved and no timeframe was being provided on when it would likely be fixed. So, she asked the Financial Ombudsman Service to continue looking into her complaint. Zilch rescinded the offer to pay an additional £30, saying the £100 previously paid had already compensated Miss L.

One of our investigators considered the complaint. They said Miss L having to close her account and reapply in three months' time wasn't reasonable. The investigator said this issue has (from May 2025 onwards) and will continue to impact Miss L, especially given the ongoing fraud concerns/unrecognised transactions and the blocks applied to her account. Given this, they recommended Zilch pay an additional £100, taking the total to £200.

Miss L agreed, but Zilch did not. It said Miss L didn't now need to wait three months before reapplying and could, subject to her repaying the balance on the account, reopen a new account within three working days. So, the additional £100 was excessive.

Miss L said this was still unrealistic as she would need to repay her account balance in full, when her credit is arranged to be repaid over a three-to-four-month period.

As Zilch didn't agree, the complaint has been passed to me to decide.

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 would also like to point out I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Zilch said its systems don't allow for an email address to be updated and I can't force a business to change the way its systems operate. But I can look at the impact this has had on Miss L. Having done so, I don't believe the £200 total compensation recommended by the investigator isn't unreasonable in the circumstances of this case.

Miss L was initially told the only work around was for her to close her account and then wait three months before reapplying. But to do this Miss L was told she first needed to fully repay what she owed, which wasn't feasible. I note after being told her credit limit would be restored if she took this course of action, a different advisor afterwards explained the new application would be treated as a brand new registration where another credit check would be completed and the credit limit offered following that may differ to the one Miss L was benefitting from on her existing account. Miss L has said this impacting her credit file wasn't something she was prepared to accept, and I see why she would feel that way when all she wanted was to update an email address.

Given this I can see why Miss L didn't feel the alternative offered by Zilch was viable for her. Zilch said in response to the investigator that Miss L no longer needed to wait three months and that her new account could be opened within three working days. But this was explained in late November 2025, almost seven months after Miss L raised the issue. And it still needed Miss L to fully repay everything she owed on the existing account first, which Miss L explained wasn't something she could do.

Zilch has now explained to me that the email address can be updated and to do so Miss L needs to provide it with a 'selfie' of her holding her identification. Hopefully this will stop this situation continuing to be an issue for Miss L. I leave it up to Miss L to contact Zilch to arrange this should she wish.

As I've said, this situation has been ongoing since May 2025 which is a significant amount of time. This has impacted her ability to access her account, see what's due and when, and review her transactions. This is particularly relevant here, given the issues Miss L raised with transactions she didn't recognise and her card being declined due to blocks being applied. Overall, I think it fair to say that Miss L not having the access she should've had has made managing her account more difficult than it otherwise would've been.

Taking the impact this has had on Miss L, and the significant amount that's been ongoing for. I'm satisfied a total award of £200 is fair and reasonable given the individual circumstances that apply to this complaint.

Putting things right

- For the distress and inconvenience caused here, I believe Zilch should pay Miss L a further £100, ensuring she receives a total £200 in compensation.

My final decision

I'm upholding Miss L's complaint. Zilch Technology Limited should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 13 April 2026.

Paul Blower
Ombudsman