

The complaint

Mr G complains that Zopa Bank Limited reported missed payments on his credit file.

What happened

Mr G took out a loan with Zopa on 7 June 2022. The loan was for £25,000 with 48 monthly repayments of £707.10 per month.

In June 2025 Mr G fell behind with his repayments. He agreed a repayment plan with Zopa to pay £75 per month off the arrears. Mr G believed that Zopa would continue to collect his contractual monthly payment of £707.10 whilst the repayment plan was in place.

However, between June and August 2025, only £75 per month was collected and the usual monthly payments weren't taken. Mr G says he didn't cancel or suspend his direct debit and believes that the payments weren't collected as a result of an error by Zopa. As a result, Mr G's account fell further into arrears. Zopa recorded the missed payments on Mr G's credit file.

Mr G complained to Zopa. Zopa didn't uphold the complaint. In its final response dated 17 October 2025 Zopa said it had sent an email to Mr G on 14 May 2025 confirming that payments of £75 would be collected for a three-month period to replace his contractual repayments. The email also explained that because Mr G would be repaying less than the contractual repayment, arrears would accrue on his account whilst the payment plan was active. Zopa said that it wasn't upholding the complaint because Mr G was aware that the contractual repayments wouldn't be collected during those three months.

Mr G remained unhappy and brought his complaint to this service. He said his payment plan for £75 was intended to be collected in addition to his contractual repayment. He wants the adverse information removed from his credit file.

Our investigator didn't uphold the complaint. They said they were satisfied that Zopa hadn't made any errors in the way it had handled the account.

Mr G didn't agree so 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.

I know it will disappoint Mr G, but I agree with the investigator's opinion. I'll explain why.

Mr G says he agreed to repay £75 per month to clear the arrears on his account in addition to his contractual repayment of £707. Zopa says that Mr G agreed a payment plan to pay £75 per month for three months instead of his contractual repayment.

Because both parties disagree about what was agreed, I've carefully reviewed the available information, which includes system notes and correspondence.

I can see from the system notes that Mr G had accrued arrears on the account in late 2024. In November 2024 Mr G reached an agreement with Zopa to pay £50 per month towards the arrears in addition to his contractual monthly repayment. This agreement was due to last for six months and so would've likely ended in April/May 2025.

On 14 May 2025 Zopa sent Mr G an email stating that payments of £75 would be collected for a three-month period and would replace his contractual monthly payments. The email explained that because Mr G would be paying less than the contractual monthly repayment, arrears would accrue on his account whilst the payment plan was active.

In July 2025 Zopa emailed Mr G to advise him that he had agreed to pay £75 to his account by 10 July but this hadn't been received. Mr G replied and advised that he had made payment. Zopa sent Mr G a further email in July 2025 acknowledging receipt of the £75 and confirming that his payment plan to pay £75 per month was still in place.

In August 2025 Mr G's account was placed in breathing space and a default notice was issued in September 2025 due to the level of arrears on the account.

Based on what I've seen, I'm satisfied that Zopa clearly communicated to Mr G that he would be paying £75 per month towards the arrears instead of his contractual monthly repayment. Even if Mr G misunderstood the email from Zopa, I think he ought to have realised that his contractual monthly repayment wasn't being collected. I say this because £707 is a significant sum and one which I would expect most people to notice if it wasn't leaving their bank account.

Mr G has said that he wouldn't have voluntarily run up three months of arrears. He's also said that Zopa cancelled his direct debit leaving him with no control over his regular payments.

I haven't seen any evidence that Zopa cancelled Mr G's direct debit. However, Zopa did make it clear to Mr G that under the payment arrangement he entered into in May 2025, his contractual monthly payment wouldn't be collected. I don't accept that Mr G had no control over his regular payments. I've already said above that I think it's likely that Mr G was aware that the contractual monthly payment wasn't being collected. If Mr G had wanted to pay the contractual monthly payment in addition to the £75, he could've paid this manually.

I appreciate that the negative markers on Mr G's credit file have caused him distress. This service can only ask a business to amend a credit file if there's clear evidence of an error. In this case, I haven't seen anything to suggest that Zopa made an error when it reported the missed payments/arrears. Therefore, I'm unable to ask Zopa to amend Mr G's credit file.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 29 April 2026.

Emma Davy
Ombudsman