

## The complaint

Zopa Bank Limited provided Mr M with a credit card in 2021. It had a credit limit of £300. Mr M says the credit was provided irresponsibly.

## What happened

Mr M complains about Zopa's lending decisions below:

Date	Event	Credit Limit
September 2021	Account opening	£300
August 2024	Credit limit increase	£900

Zopa didn't agree it had lent to Mr M irresponsibly, but Mr M remained unhappy, so he brought his complaint to our service.

Our Investigator looked into what had happened and felt Zopa carried out reasonable and proportionate checks before agreeing to lend. He also felt Zopa's checks suggested the credit card was affordable.

Mr M disagreed with our Investigator, so his complaint was passed to me 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.

In reviewing this complaint, I've only considered matters that occurred before the final response letter was issued, in line with the rules this service must follow.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Mr M's case.

Having done so, I'm not upholding this complaint, and I'll explain why.

Zopa considered the information Mr M provided in his application and gathered information from a credit referencing agency (CRA) before opening the account.

Its checks suggested Mr M had a healthy disposable income after his existing credit commitments. The CRA checks showed that Mr M did have previous defaults, with the most recent being around two years before the application. The checks also indicated Mr M was now managing his accounts well, as there were no recent adverse markers and existing debt was at a low level.

Zopa performed similar checks prior to increasing Mr M's credit limit. Whilst his existing debt had increased to around £6,000, he appeared to be managing it well.

Based on the information Zopa gathered and what it knew about Mr M's circumstances, there was nothing to suggest Mr M was unlikely to be able to repay the credit, particularly considering the modest credit limits offered.

So I think the checks Zopa did before providing the credit, and before the credit limit increase, were reasonable and proportionate.

Mr M has also mentioned that he didn't know that Zopa had increased his credit limit until March 2025, but Zopa has shown that he accepted the offer in August 2024.

This means I don't think Zopa did anything wrong when it provided the credit card to Mr M, or when increasing the credit limit.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Zopa lent irresponsibly to Mr M or otherwise treated him unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mr M hoped for. But for the reasons above, I'm not asking Zopa to do anything to put things right.

### **My final decision**

My final decision is that I'm not upholding Mr M's complaint about Zopa Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 March 2026.

David Barker  
**Ombudsman**