

## **The complaint**

Zopa Bank Limited provided Mr T with a credit card in 2025. It had a credit limit of £650. Mr T says the credit was provided irresponsibly.

## **What happened**

The details of this complaint are well-known to both parties, so I won't repeat them here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

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 T's case.

I've decided the credit was provided fairly because:

- I think the checks Zopa did before providing the credit were reasonable and proportionate given the modest credit limit it offered and what it knew about Mr T's financial situation.
- Mr T declared an annual salary of £150,000 which Zopa verified through a credit reference agency (CRA). Mr T also declared monthly mortgage payments of £1,000.
- Zopa's CRA checks showed that Mr T had existing unsecured debts of around £102,000 and calculated that Mr T would be spending around £4,500 per month on existing debt. It estimated his other essential living costs to be around £725.
- There were no adverse markers reported through the CRA checks.
- Taking all the above into account, Zopa was satisfied that Mr T would have sufficient disposable income remaining to be able to afford the repayments for this credit card.
- I have reviewed the evidence relating to the figures quoted above and completed an affordability assessment. Having done so I am comfortable that Zopa took a reasonable approach. It used verified figures where available, and reasonably calculated figures where they weren't.
- Based on the information Zopa gathered and what it knew about Mr T's circumstances, there was nothing to suggest he was likely to be unable to sustainably repay what he was being lent.
- I don't think Zopa acted unfairly in any other way.

In response to the investigator's view, Mr T says that there has been too much focus on his income and not enough on his existing levels of debt. I acknowledge that his existing unsecured debt was high, but I am satisfied that Zopa took a fair approach in this regard. It has shown that it calculated reasonable repayments to cover the debt in its affordability assessment.

Mr T has also argued that an absence of defaults in the CRA reporting, doesn't mean that the repayments are affordable. I do agree with the principle of this comment, but again as I've referred to above, Zopa did perform a proportionate affordability assessment, alongside the CRA checks.

Further, Mr T doesn't agree with Zopa's use of statistical data to estimate his other essential living costs. But I consider the approach Zopa have taken as part of a proportionate assessment is reasonable and its estimates of remaining disposable income does leave a healthy balance, in case of any differences.

Overall, I consider Zopa performed proportionate checks under the circumstances, taking into account the information available to it at the time. This means I don't think Zopa did anything wrong when it provided the credit card to Mr T.

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 T 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 T 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 T's complaint about Zopa Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 14 May 2026.

David Barker  
**Ombudsman**