

The complaint

Mr H has complained that Zopa Bank Limited, trading as DivideBuy, unfairly declined his application for a loan without giving reasons for doing so.

What happened

Mr H applied for an interest-free loan of around £13,000 from DivideBuy, to purchase solar panels.

DivideBuy declined the application and, when challenged by Mr H, suggested he applied again in due course, as a recent house move may have impacted the results of its checks.

When Mr H did so, DivideBuy declined the application again. Mr H was surprised and confused by this decision as he earned a healthy income and had a positive credit score.

DivideBuy didn't give Mr H a clear rationale for its decision, so he complained. In its response, DivideBuy explained that its process was automated and took many factors into account. It told Mr H that his application had been declined on affordability grounds, but provided no further detail. It didn't uphold his complaint.

An investigator reviewed the merits of Mr H's complaint and felt that DivideBuy had treated him unfairly by not disclosing the full reasoning behind its decision.

DivideBuy didn't agree with the investigator's view, so the complaint has been passed to me to decide.

I sent Mr H and DivideBuy my provisional decision on 24 March 2026. I explained why I wasn't planning to uphold the complaint. I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances.

Having done so, I've come to a different conclusion from our investigator, and I'll explain why.

DivideBuy have explained that its lending decisions use a process that includes data from a credit reference agency (CRA) alongside its internal lending criteria. I can see it carried out some searches using a third-party CRA to establish whether the loan was right for Mr H. Following the results of these checks, it declined the application.

Lenders have an obligation to lend responsibly, and from reviewing the evidence received from DivideBuy, I'm satisfied that there's nothing in the information available that suggests it unfairly declined Mr H's application.

Mr H should refer to the CRAs for more information about what's recorded on his file.

While I understand the confusion and frustration Mr H feels, I don't think DivideBuy needs to do anything more. Ultimately, it is up to a lender to define its own lending criteria, and disclosing this could pose a risk to its commercial integrity.

I know it will be a disappointment to Mr H, but I don't think DivideBuy has treated him unfairly.

DivideBuy didn't respond to my provisional decision, while Mr H replied to say he didn't accept it because he still felt that DivideBuy must have made an error.

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.

As neither DivideBuy or Mr H have provided any additional evidence for me to consider, I see no reason to depart from the findings I reached in my provisional decision.

My final decision

My final decision is that I don't uphold Mr H's complaint against Zopa Bank Limited, trading as DivideBuy.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 May 2026.

David Barker
Ombudsman