

The complaint

Mrs C complains that Zopa Bank Limited won't give her a list of providers she can transfer her balance to in order for her to take advantage of a promotional balance transfer offer.

What happened

Mrs C says that she applied for a new credit card with a third party provider with the intention of taking advantage of their balance transfer promotion of 0% interest for 23 months and moving her Zopa credit card balance to the third party provider to save interest. But when she contacted the third party, they told her they don't accept Zopa transfers, and suggested she contact Zopa, which Mrs C did. She says Zopa gave her incorrect information in their live chat by suggesting she couldn't action a balance transfer, even though their website says otherwise.

Mrs C says she found another third party provider who had a promotional offer for balance transfers, but they couldn't transfer to Zopa cards either, so she asked Zopa for the names of providers who do accept transfers to them, but she says they couldn't provide her with this information, and they suggested she contact providers and ask that question. Mrs C made a complaint to Zopa.

Zopa partially upheld Mrs C's complaint. They said whilst their method of completing a balance transfer is different to that of other providers, it is a recognised way of completing a balance transfer, and if another provider chooses not to support this, this would be their choice. They said as a gesture of goodwill, they calculated a redress offer that is based on her balance as of 9 May 2023. This offer is £186.56 and is calculated based on the interest that would have accrued over a further nine months on the card.

Zopa said they will apply this to Mrs C's Zopa credit card to ensure she is not financially disadvantaged, and thus giving her a further nine months of time to discuss with her chosen provider how they intend to support her with having the balance transferred. Zopa apologised for the information she was provided during her live chat conversation on 19 April 2023. They confirmed that the information provided was incorrect and they paid £25 to Mrs C's credit card account in recognition of this. Mrs C brought her complaint to our service.

Our investigator did not uphold Mrs C's complaint. She said Zopa offered £25 for the incorrect advice given and refunded £186.56 in interest charges which would've accrued over nine months, which she considered fair. They also explained how Mrs C can complete a balance transfer which she considered reasonable. Our investigator said she understood not all providers support balance transfers from Zopa, but moving forward, Mrs C would need to speak to the individual providers to determine who accepts balance transfers from Zopa.

Mrs C asked for an ombudsman to review her complaint. She said Zopa aren't saying they can't provide a balance transfer but there is no UK credit card company that accepts them which they know of, and this leads customers to believe this is an option for them when it's not. She said if no UK credit card companies accepts them then this should be stated on their website, then as a customer you could make an informed choice at the start of the

application as to whether you should proceed with Zopa.

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.

Mrs C has made a number of points to this service, and I've considered and read everything she's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of her complaint in deciding what's fair and reasonable here.

I'd like to explain to Mrs C that it is not within this service's remit to tell a business how they should process balance transfer requests or what information they should include on their website. It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct Zopa to make changes to their policies and procedures, if necessary.

I've noted what Mrs C has said about no UK credit card companies being able to transfer a balance to Zopa. She has cited the source of this as a third party provider forum. But here, Zopa have given her the details in her final response letter that she can give to any credit card provider to transfer a balance from them. So I'm satisfied that they aren't preventing her from transferring her balance elsewhere. And I've no reason to believe that if a UK credit card provider used these details to transfer a balance in the way Zopa has set out, that this would not be successful.

I'm aware that Mrs C has tried two different credit card providers who won't facilitate a balance transfer to Zopa. But I can't hold Zopa responsible for other credit card providers not wanting to make a balance transfer in the method that Zopa requires. Mrs C wants Zopa to provide a list of providers who can facilitate a balance transfer in the way Zopa would accept and they aren't providing her this list.

Zopa's website shows *"All customers can move outstanding balances from Zopa credit cards onto a card designed for balance transfers from another provider. You can do this by providing the credit card provider with the account details and C reference for your Zopa card, which can be found in the Zopa app. They will then make the transfer on your behalf. For more information about this process, please contact the credit card provider you want to transfer your balance to."* So I'm satisfied that Zopa make it clear that Mrs C can move an outstanding balance from her Zopa credit card onto a card designed for balance transfers from another provider, and that she would need to contact the credit card provider she wants to transfer her balance to.

I know Mrs C feels Zopa should honour the 23 month promotional interest free balance transfer that she could have got with another provider, but I can't hold Zopa responsible for a third party not wanting to transfer a balance in the way Zopa has asked them to. Zopa have made a goodwill gesture to pay Mrs C £186.56 to reflect the interest that would have accrued over a further nine months on the card. So I do think they are trying to assist Mrs C as they didn't need to take this action.

I can see that Mrs C was given incorrect information on the webchat. It appears the web agent has misunderstood Mrs C's query and thought she wanted to transfer a balance from elsewhere to them as opposed to the other way round. I'm satisfied that the compensation of £25 which I can see Zopa paid to her account on 4 May 2023 is proportionate for the impact the incorrect information would have had on Mrs C, so it follows I don't require Zopa to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 25 December 2023.

Gregory Sloanes
Ombudsman