

The complaint

Mr M complains that Zopa Bank Limited wouldn't provide him a durable copy of his agreement after he opened his Individual Savings Account (ISA). He says this meant he couldn't review his cancellation rights or any changes relating to this.

Mr M wants any charges for cancelling his ISA waived, be paid interest for the days that Zopa has had his money, and compensation for Zopa failing to supply information about overseas transfers.

What happened

Mr M set up an ISA with Zopa in December 2022. He called Zopa to ask for a 'durable' copy of his statutory documents, but this wasn't provided. He said he shouldn't have been asked to complete security when asking for the documents as this was providing unnecessary data when all he wanted was a copy of the standard account documents. He says that he then asked to raise a complaint but was told he would need to do this by email which wasn't correct as he should have been able to raise this over the phone. Mr M had further calls and was told the documents he was requesting were available online and he could download these but Mr M said while he was able to read the documents he couldn't download them and so he wasn't being provided with the documents in a durable form. Mr M then raised further complaints about his data being transferred overseas (due to the use of overseas call centres). He asked to raise a Data Subject Access Request but then put his request on hold until after he had received a response to his complaint.

Zopa issued a final response to Mr M's complaint dated 1 August 2023. It said that Zopa is a paperless bank and that customers can download documents and statements from its app. It noted Mr M's concerns about the use of locations outside of the UK but said that its privacy notice outlines overseas transfers and while specific locations aren't mentioned it does say that data may be sent outside the UK or EEA. Zopa acknowledged that there were some shortcomings with the service Mr M received on his first call and said that feedback would be provided.

Mr M wasn't satisfied with Zopa's response and referred his complaint to this service.

Our investigator didn't uphold this complaint. She said that Zopa was a paperless bank and that it provided documents in its App which was a business decision applied to all customers. She noted that its terms and conditions allowed for data to be transferred outside of the UK and Europe.

Mr M didn't accept our investigator's view. He reiterated that the ISA terms and conditions were not downloadable.

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.

Mr M has raised several complaints which I will deal with below. However before doing so I just wanted to set out that we are an informal dispute resolution service and as such do not have the power to say whether Zopa has breached data protection laws. That is for the Information Commissioner's Office (ICO) to decide, and I appreciate that Mr M said he would also be discussing his issues with the ICO. We can however assess the impact any data issues have had on a customer and consider this in light of any compensation awards. I have had this in mind as I have considered this complaint.

Mr M's initial concern was that he wasn't provided with a durable copy of his key agreement documents when he set up the ISA. Zopa's terms and conditions set out that its savings accounts are online only and once opened can be viewed and managed by logging into the Zopa account and so I find he should have been aware of the approach taken by Zopa in regard to its provision of information. Mr M has said he was able to access a copy of the documents to read (but not to download and save). As Mr M was able to read the documents, I find he should have been aware of the terms of his account and his cancellation rights and any charges.

Mr M wanted to download a copy of his agreement and he explained his reasons for this. I agree that this was a reasonable request and, on the call, Zopa tried to guide Mr M through this process. However, Mr M said that while the approach allowed him to read the documents, he wasn't able to download a copy for his files. Zopa has confirmed that it should be possible to download the documents and it has arranged for the documents to be posted to Mr M. I find this a reasonable resolution to this part of his complaint.

Mr M has raised several service issues in regard to the calls he had with Zopa. I have listened to the calls provided and on the call on 21 July Mr M doesn't say he wishes to raise a complaint and there isn't mention of him having to do this by email. I haven't been provided with any other calls from this time on which this is discussed aside from the calls on 26 July when Mr M says that this is the information he was given. Zopa said on the call on 26 July that Mr M should have been able to raise his complaint on the phone. Without further evidence to confirm that Mr M was given incorrect information I do not intend to comment further on this issue.

Mr M has said that he wasn't called back when requested and that he had to ask several times for an agent's name and only became aware that there was another party on the call when they introduced themselves. I agree that the service provided in regard to these aspects could have been better and I can see Zopa acknowledged this and said feedback would be provided. I appreciate these issues caused frustration for Mr M but I do not find in this case that Zopa is required to do anything further in response to these issues.

Mr M is concerned that Zopa transfers calls to overseas countries and he believes that this means his data is transferred to countries that don't have the same protections in place as the UK. I understand Mr M's point and I note his comment about not being made aware that this will happen. However, I have looked through Zopa's privacy notice and it states that '*We may transfer your personal data to countries outside either the UK or the European Economic Area (EEA), whose personal data protection laws are less strict than in the UK or the EEA.*' It then goes on to say that it will make sure suitable safeguards are in place to protect personal data, in line with data protection law. Given this I find that Zopa does provide information about how it will transfer data and as I have nothing to suggest the call with the overseas centre resulted in Mr M suffering any loss or data issues, I do not find I can uphold this part of his complaint. As noted above, if he is concerned that Zopa is in breach of data protection laws then he should raise this with the ICO.

Mr M made a DSAR and then put this on hold. He subsequently reinstated his request in response to Zopa's final response letter and I understand this has been responded to.

In conclusion, while I understand the concerns Mr M has raised, I find that Zopa has explained its approach to the provision of information and taken action to address Mr M's requests. Therefore, I do not require it to do anything further in resolution of this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 January 2024.

Jane Archer
Ombudsman