

## **The complaint**

Mr K has complained Madison CF UK Limited, trading as 118 118 Money, held him liable for a loan he didn't take out and then added a CIFAS marker to his record.

## **What happened**

Mr K complained to 118 118 Money in February after he'd discovered a loan had been taken out in his name for £1,500. 118 118 Money continued to hold him liable for this loan.

At the end of March Mr K discovered a category six CIFAS marker had been added to his record and this was endangering his employment contract with a financial institution. He was suspended on full pay for a couple of weeks.

Mr K was able to provide further evidence showing that the money had been paid to his brother who'd taken this loan out fraudulently. 118 118 Money confirmed they accepted this loan had been taken out fraudulently and wouldn't be asking Mr K to repay it. They also confirmed they would remove this loan from his credit record. However, they did not mention the CIFAS record other than to say they'd protectively registered Mr K as a victim of impersonation fraud. 118 118 Money offered Mr K £50 for the difficulties he'd had.

Mr K brought his complaint to the ombudsman service. At this stage 118 118 Money increased their offer of compensation to £250.

Our investigator was able to see from further evidence provided by Mr K that a misuse of facility CIFAS marker was registered against him on 2 December 2023. This was only removed when 118 118 Money undertook the protective registration in April 2024. She noted that 118 118 Money had made an error in continuing to hold Mr K liable for a loan but the major impact on him had been the CIFAS marker. This caused his employment to be in jeopardy which must have been stressful. She asked 118 118 Money to pay him £500 for the distress caused.

Mr K wouldn't accept this as he felt 118 118 Money had taken far too long to sort out the problem they'd caused him. Mr K's complaint has been referred to an ombudsman.

## **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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Firstly, it's worth confirming that 118 118 Money wrongly held Mr K liable for a loan he'd never taken out. It's good they sorted this out although I appreciate Mr K's concern that this took them some time. He only knew about the loan in February, and in fact, it was less than two months later that 118 118 Money accepted they'd managed this incorrectly.

I know Mr K feels they should be punished for this error and for him having to do most of the legwork in getting things sorted. However, this isn't our service's role. As the loan was taken

out fraudulently, I don't believe it would be fair to fault 118 118 Money completely for believing they'd granted a loan properly. Most of the fault lies with the individual committing the fraud.

That said I do agree that the lodging of a CIFAS marker had a deleterious effect on Mr K. Although he was unaware of this marker, when his employer found out about it, this meant that his role within a financial services company was in jeopardy. And whilst Mr K was only suspended for a fortnight – and on full pay – I can appreciate how distressed he must have been before his employer was satisfied he wasn't at fault.

### **Putting things right**

Because of the CIFAS marker, and the impact this had on Mr K, I think it's fair and reasonable that 118 118 Money pay him £500 for the trouble caused.

### **My final decision**

For the reasons given, my final decision is to instruct Madison CF UK Limited, trading as 118 118 Money, to pay Mr K £500 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 16 December 2024.

Sandra Quinn  
**Ombudsman**