

## **The complaint**

Mrs W is unhappy with how Madison CF UK Limited, trading as 118 118 Money, offered to settle her irresponsible lending complaint. She wants the balance writing off in full.

## **What happened**

Mrs W took out a loan for £5,000 over 36 months on 23 July 2024. The monthly repayments were £225.55.

She complained to 118 118 Money that the lending was unaffordable. It agreed and said it would remove all interest and charges, as well as any adverse data from her credit file - once the capital owing has been repaid.

Mrs W said she wanted the full balance to be written-off.

Our investigator said 118 118 Money's approach was fair and reasonable. She explained that the monthly repayment amount cannot be permanently changed under the terms of the agreement, but that Mrs W can contact it to agree a repayment plan every 3-6 months if needed, and they can run back-to-back. She was satisfied 118 118 Money had removed the interest and charges as we would expect.

Mrs W disagreed and asked for an ombudsman's review. She said she doesn't think the lender has acted fairly. And doesn't agree she should have to contact them every six months to sort this repayment out.

## **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.

Our approach to irresponsible/unaffordable lending complaints is set out on our website, including how we tell lenders to resolve these complaints.

It is not in dispute here that 118 118 Money was wrong to lend to Mrs W so I need not comment here on the lending decision. What remains in dispute is how it must put things right.

I am satisfied that it has reworked Mrs W's loan account as we would expect by removing all interest and charges which decreases the term of her loan. It has explained that if Mrs W is unable to make the current fixed monthly repayment she should contact it to agree a short-term reduced repayment plan. It cannot change the repayment any other way. It has confirmed she can have any number of such plans until the capital owing is repaid.

This is a reasonable approach and I cannot see it is overly onerous on Mrs W to contact the lender to arrange such plans every 3 to 6 months. I have found no grounds to instruct 118 118 Money to write-off the capital balance as she asks. Any adverse information on her credit file relating to the loan will be removed once she has repaid the capital owing.

### **My final decision**

I am not upholding Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 11 August 2025.

Rebecca Connelley  
**Ombudsman**