

## **The complaint**

Mr M complains that Madison CF UK Limited, trading as 118 118 Money (“118 118 Money”), lent to him irresponsibly by providing a credit card and subsequent credit limit increase without sufficient affordability checks being made.

## **What happened**

118 118 Money provided Mr M with a credit card in February 2021 with a limit of £1,200. An offer to increase the credit limit to £2,000 was made in September 2021 and accepted.

In summary, Mr M complains that both decisions were irresponsible lending as he believes insufficient affordability checks were made at each point. He says the checks were insufficient as he was a freelance worker with multiple recent lines of credit and relying on family support to manage his finances.

Mr M complained to 118 118 Money. His complaint was rejected with a Final Response letter being issued on 15<sup>th</sup> May 2025. 118 118 Money stated they believe proportionate checks were made prior to both lending decisions being taken. Mr M disagreed and brought his complaint to this service.

An investigator examined the merits of Mr M’s case but didn’t think there was enough to show 118 118 Money had lent irresponsibly. She also didn’t think 118 118 Money had treated Mr M unfairly over the course of the relationship.

Mr M disagreed with the investigator’s opinion. He felt proportionate checks would have indicated several active lines of existing credit, an earlier over-limit occurrence and his minimum payments to existing cards should have indicated that he was already struggling financially.

An agreement has not been reached, so the case has been passed to me to decide.

## **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.

We’ve set out our approach to considering unaffordable and irresponsible lending complaints on our website – including the key relevant rules, guidance, good industry practice and law. In short, lenders must ensure that any credit that is approved is affordable and sustainable for the borrower. I’ve kept this in mind when deciding Mr M’s complaint. I must apply the same tests as the investigator when considering this case.

The investigator has outlined her detailed thinking in relation to the affordability checks performed by 118 118 Money both at card issue and on the subsequent credit limit increase. Having reviewed the case, I agree with the investigator’s finding that 118 118 Money did make reasonable and proportionate checks.

I will explain why I have reached the same conclusion.

### Account opening

Having considered the evidence available to me I am satisfied that 118 118 Money carried out sufficient checks at application. These included verification of Mr M's declared income, the gathering of his credit report and the use of other industry standard tools. . When compared with Mr M's declared monthly income of around £1,400 and the relatively modest credit limit of £1,200, I'm persuaded that 118 118 Money did adequately consider affordability and sustainability when offering the card.

I have not only concluded these checks were proportionate, but given the credit limit offered, the management of the existing credit Mr M held at that time and the lack of any adverse CCJ or similar findings by 118 118 Money, I'm satisfied a fair decision to lend was made.

### Credit limit increase

I'm also persuaded that appropriate checks were carried out when the credit limit on the card was increased six months later. The same checks were repeated by 118 118 Money at that time. They also considered how Mr M had been managing his account with them over the preceding six months. This showed good account management with them – Mr M stayed well within the credit limit provided to him, and payments were made on time and in full.

I believe these checks were proportionate given the size of the credit limit increase offered and the information available to 118 118 Money at the time. There were two external adverse credit entries, but this alone wouldn't be enough for me to say 118 118 Money ought to have carried out more checks as a result. Therefore, it follows that based on what I've seen, the credit limit increase was also a fair lending decision.

I've considered Mr M's responses to the opinion issued by the Investigator.

Mr M said he already held a number of existing credit cards at the time he applied to 118 118 Money, which is true. But this is not grounds to refuse further credit. Nor is the fact that minimum payments were being made automatically a sign of financial difficulty. I have considered the existing lines of credit, but am satisfied in this case that 118 118 Money made a considered and fair lending decision.

I am persuaded of this in part because of the disposable income calculations performed by 118 118 Money. This was based on information provided by Mr M and supported by his credit file. This showed an available disposable income of around £383.69 at original application and around £276.60 at the point the credit limit was increased which is more than enough to afford the additional credit.

Mr M says he was struggling financially at the time of the lending decisions and was having to be supported by family members to make ends meet. Given this he feels further credit should not have been offered.

I am sympathetic to the financial difficulties described by Mr M and in no way doubt his account. But, there is nothing on the file available to 118 118 Money at the time to indicate such serious financial difficulties were being experienced. There had been no disclosure of difficulty by Mr M at that time. Mr M's report had shown a single instance of being over the limit, this was corrected within a month and there was no history of repeated default on the account. Generally, existing accounts were being managed well. I am not persuaded that the financial difficulties described by Mr M were obvious to 118 118 Money at the time of lending, and therefore I can't say they've treated him unfairly.

In reaching my conclusions, I've also considered whether the lending relationship between Mr M and 118 118 Money might have been unfair to Mr M under s140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that 118 118 Money did not lend irresponsibly when providing Mr M with the credit card, or by subsequently increasing his credit limit. And I haven't seen anything to suggest that s140A CCA would, given the facts of this complaint, lead to a different outcome here.

### **My final decision**

My final decision is that I don't uphold this complaint against Madison CF UK Limited, trading as 118 118 Money.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 17 December 2025.

Richard Bellamy  
**Ombudsman**