

The complaint

Mr J is unhappy that Credit Labs Limited, trading as 1Plus1 Loans (“CLL”) have miscalculated the balance of his personal loan.

What happened

In January 2019, Mr J successfully applied to a loan provider, which I’ll refer to as ‘B’, for a personal loan with a repayment term of 60 months. In September 2021, B went into administration. Loan account holders, such as Mr J, were able to bring complaints to B’s administrators about B’s handling of the loans until November 2022.

As part of the administration process, all of B’s outstanding loans were sold to CLL, who were legally assigned the rights, title, and interest to all of B’s loans. This meant that Mr J’s outstanding loan with B transferred over to CLL, with the conditions of the loan, such as the term length, interest rate, and contractually required monthly payment amount, remaining intact.

In March 2025, Mr J wanted to raise a complaint with CLL about the affordability of the loan for him at the point of sale in 2019, and about the outstanding balance of the loan. CLL explained to Mr J that they had no liability regarding the sale of the loan, because it had been sold to Mr J by B, and that the outstanding balance of the loan had been passed to them as part of the loan assignment process. Mr J wasn’t satisfied with the position taken by CLL, so he referred his complaint to this service.

One of our investigators looked at this complaint. They felt that the majority of Mr J’s complaint wasn’t something that this service could consider, because the complaint points referred to actions undertaken by B – such as the sale of the loan – that CLL had no liability for. And our investigator didn’t feel that CLL had acted unfairly in regard to the balance that they considered outstanding on Mr J’s loan. Mr J remained dissatisfied, so his complaint was escalated to an ombudsman for a final decision.

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.

As has been explained to Mr J by our investigator, the majority of Mr J’s dissatisfaction is not something that this service can consider. This is because CLL are only liable for their administration of Mr J’s loan after it was legally assigned to CLL. And CLL aren’t liable for the sale of the loan, which was undertaken by B, or the balance of the loan that was assigned to them.

It must also be reiterated that if Mr J was unhappy about the sale of the loan or the balance B maintained at the time that administrators were appointed, that Mr J had an opportunity to raise complaints about those matters with the administrators until November 2022.

Regarding the point of complaint that I can consider, which is Mr J’s dissatisfaction that CLL

won't investigate in more detail his contention that the loan balance assigned to them was incorrect, I don't feel that CLL have acted unfairly in this regard. Again, this is because when CLL were legally assigned Mr J's loan, that assignment included the balance outstanding at that time.

As such, there's no further investigation that CLL can reasonably do. And if Mr J felt that the loan balance was incorrect before it was assigned to CLL, then he needed to have raised that matter with either B or B's administrators before his loan was assigned to CLL. Furthermore, I haven't seen anything to suggest that CLL have mis-administered Mr J's loan since the time that the loan was assigned to them.

I appreciate that this will be frustrating for Mr J, but unfortunately it may be the case that he has missed the opportunity to complain about the points that he is unhappy about. Ultimately, however, I don't feel that CLL are acting unfairly by administering Mr J's loan in line with the outstanding loan balance that was assigned to them. I hope that Mr J will understand, given what I've explained, why I've made the final decision that I have.

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 J to accept or reject my decision before 4 March 2026.

Paul Cooper
Ombudsman