

The complaint

Mr S complains that PROPEL HOLDINGS (UK) LIMITED trading as Quid Market (“Quid Market”) lent to him irresponsibly by failing to make the right checks and then he was unable to repay them.

What happened

Mr S took several loans and the table shows a summary.

Loan	Approved	Amount	Repayment terms (amounts rounded)	Repaid
1	12 December 2022	£450	£138 x 6	16 December 2022 withdrawn
2	30 December 2022	£400	£133 x 6	30 June 2023
3	30 June 2023	£500	£181 x 5	17 July 2023
4	29 July 2023	£400	£133 x 6	17 November 2023
5	22 November 2023	£400	£133 x 6	27 December 2023
6	28 December 2023	£600	£200 x 6	12 February 2024
7	23 February 2024	£400	£133 x 6	30 June 2024
8	1 July 2024	£400	£133 x 6	Due to be repaid December 2024.

All but Loan 3 were six month terms. Loan 3 was for five months. Mr S withdrew from Loan 1. Loans 3 to 7 inclusive were all repaid early.

After Mr S complained to Quid Market, it responded with its final response letter (FRL) in September 2024 in which it outlined the reasons it did not consider it had done the wrong thing for loans 1 to 6. It did offer to remove the contractual interest on Loan 8 which at that time was outstanding. And then it said it would uphold the complaint for Loan 7 which led to a calculated redress figure which, when offset against the outstanding balance on Loan 8, would have led to Mr S having only £35.92 to repay to clear Loan 8. It also said it would remove ‘this loan’ from Mr S’ credit file but it was unclear to which it referred.

This offer was a ‘full and final settlement’ offer and so the fact that Mr S referred his complaint to the Financial Ombudsman Service a couple of weeks later indicated he did not accept it. Quid Market made it clear to us that this offer was still available for Mr S. After Mr S had referred his complaint to the Financial Ombudsman Service one of our investigators considered it and thought that the complaint about loans 5 to 8 ought to be upheld.

Mr S responded to say that he considered that additional checks ought to have been done from Loan 3 and if it had done so, that would’ve led Quid Market to realise he could not afford the loans from Loan 3. From this I take it to mean that Mr S was satisfied with the outcome in relation to Loans 1 and 2 – which were non-upholds of that part of his complaint. And so, when I issued my provisional decision I did not review those two.

Quid Market did not agree with the outcome for Loans 5 and 6. The unresolved complaint was passed to me to decide. The loans in dispute seem to be Loans 3 to 6 inclusive. I issued a provisional decision which is duplicated here:

What I provisionally decided on 23 June 2025 – 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 general approach to complaints about short-term lending - including all the relevant rules, guidance, and good industry practice - on our website.

Quid Market had to assess the lending to check if Mr S could afford to pay back the amounts he'd borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. Quid Market's checks could have considered several different things, such as how much was being lent, the size of the repayments, and Mr S's income and expenditure. I think in the early stages of a lending relationship, less thorough checks might have been proportionate. But certain factors might suggest Quid Market should have done more to establish that any lending was sustainable for Mr S. These factors include:

- Mr S having a low income (reflecting that it could be more difficult to make any loan repayments to a given loan amount from a lower level of income);
- The amounts to be repaid being especially high (reflecting that it could be more difficult to meet a higher repayment from a particular level of income);
- Mr S having many loans and/or having these loans over a long period of time (reflecting the risk that repeated refinancing may signal that the borrowing had become, or was becoming, unsustainable);
- Mr S coming back for loans shortly after previous borrowing had been repaid (also suggestive of the borrowing becoming unsustainable).

There may even come a point where the lending history and pattern of lending itself clearly demonstrates that the lending was unsustainable for Mr S. I do think that this element was apparent with Mr S and I note that so does Quid Market. It has recognised that and offered to put things right for loans 7 and 8 based on that reason.

Quid Market was required to establish whether Mr S could sustainably repay the loans – not just whether he technically had enough money to make his repayments. Having enough money to make the repayments could of course be an indicator that Mr S was able to repay his loan sustainably. But it doesn't automatically follow that this is the case.

I've considered all the arguments, evidence and information provided in this context, and thought about what this means for Mr S' complaint. As I have outlined in the 'what happened' part of this decision, the loans which appear to be in dispute are loans 3 to 6.

I have reviewed the information Quid Market obtained for each of the loan applications. Mr S declared that he was earning a similar amount each month for each of those loans. I have seen that for loan 2 Quid Market had obtained a payslip from Mr S which had verified his monthly income as being £2,136 after tax. The figures used by Quid Market for loans 3 to 6 dovetailed with that income figure and/or with what Quid Market discovered when it did its own verification check for his income. So, I am satisfied that Quid Market had done what it should have done in respect of Mr S' income. And I'm confident that the income figures used for these loans was relatively accurate.

For each of the applications, Mr S said that he was living at home with his parents and he paid them rent to cover costs. And more recently, since Mr S has been waiting for an ombudsman to review his case, he has explained that he still pays his parents. Whilst I understand that he may be finding it difficult at the moment to pay them I would not consider that a priority bill in the usual sense of the word. Meaning that usually non-payment could lead

to rent arrears and/or potential eviction from his home. In this case, for Mr S, I doubt that he would find himself in that position.

Quid Market would have been aware that this position of living at home with his parents would mean he was less exposed to that rent arrears/eviction risk. And I note that for each of the Income and Expenditure (I&E) calculations it carried out for Mr S it had allocated a cost for the rental payment to his parents, utility bill costs plus it had added in monthly travel costs.

For each application Quid Market obtained a credit search and copies have been forwarded to us. This was not a regulatory requirement but having got one it needed to heed the information within them. And each of these credit searches showed that Mr S had had financial problems in the past which had resulted in defaulted accounts.

I note – as Quid Market would have done – that Mr S had been in the unfortunate position of entering an Individual Voluntary Arrangement (IVA) in October 2018 within six years of the first application. But the credit searches also showed that Mr S had completed that. And a recent comment by Mr S ‘...got out of an IVA 6 years ago...’ indicates that this IVA likely ended around 2019. So that was some years before he started to apply to Quid Market.

But, Quid Market is a high cost lender which caters for customers who have had adverse credit history. And so, I am satisfied that it was aware of Mr S’ past but it does not lead me to think that the adverse credit history would have meant that Quid Market ought to have refused the loans. The reasons I say that is because Mr S was employed, Quid Market had already seen a payslip in December 2022 to satisfy itself of that in the past, it was aware of his older credit history and it could see the more recent credit history by obtaining the credit reports which it did get. The recent history was satisfactory. These were proportionate checks and I consider that no more checks were needed.

Those more recent credit report entries showed that Mr S was obtaining credit but was also keeping up with repayments. And that the repayment amounts for his existing credit plus the rental and utility and travel costs figures Quid Market factored into the I&E, meant that it could see the loans were affordable. Those figures are set out in detail in the FRL issued and sent to Mr S and I do not repeat them here.

In the FRL, Quid Market has set out a table showing what its underwriters established about his financial situation. At Loan 3, it had used the declared income of £2,200 and having viewed the credit search it had increased Mr S’ monthly credit commitment cost to £965. This was a significant proportion of his monthly net income. And Mr S has said to us that he thinks additional checks ought to have been carried out on his financial position at Loan 3. So, I have reviewed the Loan 3 credit search.

This credit search Quid Market did on 30 June 2023 showed Mr S had a total indebtedness of £4,935 (which is not high) of which loan debt was £532 and the rest was credit card debt. The repayment records on all those accounts plus ones relatively recently closed were all satisfactory. So, I don’t consider that Quid Market would have had a reason to be overly concerned and so I don’t consider that it needed to do additional checks. Plus the I&E it had done indicated that he’d have enough left over to repay loan 3.

My view is that Quid Market carried out proportionate checks for loans 4 and 5 as well. I recognise that our investigator thought that the complaint for loan 5 ought to have been upheld.

But having reviewed the information Quid Market had for Mr S for loans 4 and for loan 5 then I consider that it had carried out proportionate checks. It had looked at the credit reports for these dates and still his repayment history was good. The historic defaulted accounts and the information about the IVA I have explained earlier – would not have been sufficient to cause an alert to Quid Market unless Mr S had also been gathering more recent adverse credit report data: which he was not.

This combined with Mr S' domestic arrangements – as I have outlined earlier – would not have led Quid Market to consider that it needed to refuse Loan 4 or Loan 5 or to have carried out additional checks for either of these applications.

By the time Mr S had been asking Quid Market for loans for 12 months – which was when he applied for Loan 6 in December 2023 - then I think that it ought to have carried out an additional check. And I say this because it would have been the sixth loan, even though Loan 1 was withdrawn. And Loan 6 was the second application from Mr S in a month and it came after he'd repaid Loan 5 early. So, I think all these points likely ought to have acted as an alert to Quid Market. And it appears that it did.

At Loan 6 Quid Market did carry out an additional check. It asked Mr S for a copy of his most recent bank statement which was very up-to-date as the copy it obtained covered the period 1 December 2023 to 27 December 2023. Loan 6 was applied for on 28 December 2023. I have reviewed the copy bank statement – and I can see that Mr S paid money to a car company. And I do not see any activities on his bank account statements which would have led Quid Market to think that Mr S was in financial difficulties as usually defined: by such things as returned direct debits, extensive use of a deep overdraft, use of an unauthorised overdraft or multiple loans all being paid at the same time. Mr S' bank account statements did not show any of these.

The financial picture the statements showed Quid Market, combined with the credit search it had obtained dated 27 December 2023, which did not show any new insolvency or repayment issues other than the historic ones to which I have referred earlier, then I see no reason for Quid Market to have felt it ought to refuse the loan application. However, at loans 7 and 8 it considered that Mr S had shown a pattern of behaviour to cause it concern – it described this as: *'You were evidencing a pattern of applying for loans soon after repaying your previous loan'*

I agree that at Loan 7 Quid Market ought to have paused and not lent to Mr S. It has recognised that it ought to have done that and so I endorse its offer – but with this additional factor. I consider that it ought to re-calculate the interest due on the repaid Loan 7 up to the date that Mr S accepts this provisional decision – if he does so accept – and the final decision is issued. That may mean that the redress figure when offset against Loan 8 may lead to the owed sum being zero. At the time of the FRL it was just under £36.

I note that Quid Market, as part of the offer, has said it would remove one of the loans from Mr S' credit file. As I said earlier, the FRL was not clear as to which this removal referred. But I'd also expect Quid Market to remove any adverse data from both loans that it has upheld. I've also considered whether Quid Market acted unfairly or unreasonably in any other way and I have considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think it lent irresponsibly to Mr S or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

Putting things right

I endorse the offer made in the FRL but with the addition that Quid Market recalculates the interest refundable on Loan 7 – plus the 8% interest (less HMRC tax) – from the date that the payments were made by Mr S to the date of the final decision following this one (assuming Mr S accepts the final decision).

Quid Market is allowed to use that to offset the funds against any outstanding sum on Loan 8. Quid Market has offered to remove one of the loans from Mr S' credit file and I also direct that it ought – at least – to amend any adverse entry made in respect of the other loan.

This is the end of the duplicated provisional 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.

Quid Market responded to agree to the recommended resolution I outlined in my provisional decision. It recalculated the interest due on the upheld loan (Loan 7) and then agreed to write off a further amount on the unpaid loan leaving nothing further for Mr S to pay back. It made no reference to the credit file amendment I think it should do.

The details were sent to Mr S who did not accept it. He made several points about the provisional decision all of which I have read and reconsidered. Mr S said:

- He thinks it was clear to Quid Market he was in financial difficulties before loan 7
- He explained to Quid Market that he was using another loan provider to pay off one of the Quid Market loans
- In November 2023, if he *had* provided a bank account statement to Quid Market if asked then it would have seen betting and gambling transactions on there. Mr S says that there were 15 or 20 and those should have acted as '*red flags*'
- He was borrowing a lot at the time
- He says that taking six month loans, which then he repaid early and borrowed again ought to be a clear indication to Quid Market that he was borrowing from elsewhere to clear the loan
- He says this would be an indicator to Quid Market he was gambling heavily and if more checks had been done from loan 6 this would have been seen
- '*I believe that more should have been done from loan six as this is where I repaid the six month loan early then borrowed again from them that same month after borrowing from another loan company*'

Taking the last few (connected) points first: I did think that Quid Market ought to have done more checks at Loan 6. It did ask for bank statements for the month of December 2023. And I repeat what I said about that in my provisional decision again here.

And I have reviewed the November 2023 bank statements Mr S has sent to us. First of all, the gambling transactions come to about £170 in total. I have not included lottery tickets or what appeared to be a purchase relating to an on-line game. So considering Mr S' income then £170 was a modest amount. Secondly, it's not a reason to never lend to anyone if an applicant spends his or her money in a certain way. And thirdly, reading the November 2023 and the December 2023 statements together, Quid Market would have seen that Mr S appeared to have an insurance payment of £2,249, plus his salary of £2,054. And so his account was in credit to a good level. Some of which he spent by transferring to what I know to be an on-line car purchasing company for £2,099 on 30 November 2023, which was refunded to him the next day and then a few days later he sent £2,074 to that same on-line car purchase company. Looking at the December 2023 to identify on-line gambling transactions, apart from some lottery purchases and a gaming purchase it does not appear to be that Mr S made any of the types of transactions he did make in November 2023 which I had identified as amounting to £170 in that month. And so, I doubt that Quid Market would have considered that Mr S was in financial difficulties when looking at the transactions for those periods as a whole.

As for the other points Mr S has made, they do not persuade me to alter my views and so my findings made in my provisional decision are repeated here.

I think it is asking too much of a loan company to be expected to do more than the regulatory landscape expects of it – I consider Quid Market carried out proportionate checks.

I endorsed the Quid Market decision to uphold Loan 7 and remove interest from Loan 8 (which is essentially the equivalent outcome to an uphold about Loan 8). Quid Market has done what I asked which is recalculate the interest on Loan 7 to bring it up to date. Quid Market has gone a little further and has cleared the Loan 8 outstanding balance.

I will expect it to do as it has offered and I have directed in relation to the changes to the credit file for Mr S for Loans 7 and 8. I uphold the complaint in part.

Putting things right

I endorse the offer made in the FRL but with the addition that Quid Market recalculates the interest refundable on Loan 7 – plus the 8% interest (less HMRC tax) – from the date that the payments were made by Mr S to the date of the final decision (assuming Mr S accepts the final decision).

Quid Market is allowed to use that to offset the funds against any outstanding sum on Loan 8. Quid Market has offered to remove one of the loans from Mr S' credit file and I also direct that it ought – at least – to amend any adverse entry made in respect of the other loan.

I've considered whether the relationship between Mr S and Quid Market might have been unfair under s.140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed should be carried out for Mr S results in fair compensation for him in the circumstances of his complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

My final decision

My final decision is that I uphold Mr S' complaint in part and I direct that PROPEL HOLDINGS (UK) LIMITED trading as Quid Market recalculates interest and carries out the amendments/removals of credit file entries for the two upheld loans as outlined above, if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 August 2025.

Rachael Williams
Ombudsman