

The complaint

Mr M complains through a representative that PROPEL HOLDINGS (UK) LIMITED trading as Quid Market (Quid Market) gave him loans which were unaffordable.

What happened

A summary of Mr M's borrowing can be found below.

loan number	loan amount	agreement date	repayment date	number of monthly instalments	highest repayment per loan
1	£600	09/08/2023	01/03/2024	6	£188.82
2	£1,000	15/04/2024	30/04/2024	6	£300.57
3	£500	16/07/2024	14/10/2024	6	£150.31

Quid Market didn't uphold the complaint and Mr M's representative then referred the complaint to the Financial Ombudsman Service where it was considered by an Investigator. The Investigator also didn't uphold the complaint.

Mr M's representatives disagreed saying in the year before the loans were granted Mr M had taken a number of other credit facilities. A review of the bank statements would've shown Mr M consistent overdraft usage.

As no agreement could be reached the complaint has been passed to me for a 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.

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 M 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 taken into account a number of different things, such as how much was being lent, the size of the repayments, and Mr M's income and expenditure.

With this in mind, 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 M. These factors include:

- Mr M 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 M having a large number of 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 M 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 M.

Quid Market was required to establish whether Mr M 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 M 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 M's complaint. Having done so I am not upholding the complaint and I've explained why below.

Quid Market carried out the same sort of checks for each loan which including asking Mr M about his income and outgoings as well as carrying out a credit search. Having reviewed all the information, I'm satisfied these checks were proportionate and therefore Quid Market made a fair lending decision.

For loan 1 – Mr M said his income was £2,638 per month. However, Quid Market didn't just accept what he was saying and it collected a copy of a payslip from July 2023 – which confirmed this amount. This is a proportionate check.

While Quid Market didn't ask for a payslip for the remaining two loans – I don't think that it was necessary for it to do so. But Quid Market has said for loans 2 and 3 the income was "*electronically verified*" and I can see that no adjustments were made to Mr M's declared income. Given what I've seen Quid Market didn't need to make any further checks into Mr M's income.

Quid Market also made enquiries with Mr M about his monthly outgoings and then it used the credit search results to test the accuracy of what Mr M provided. Based on the expenditure information, each loan looked affordable. For the first three loans I don't think Quid Market needed to do more than it did in terms of trying to find out information about Mr M's monthly outgoings.

Quid Market also carried out credit searches before each loan application and it has provided a copy of the results that it received from the credit reference that it used. It's worth adding that Quid Market wasn't required to conduct credit searches let alone one to specific standard. This does mean the information received by Quid Market could be slightly different to what Mr M can view in his own personal credit file.

Quid Market was also entitled to rely on the results on the credit search because it didn't have any other information either from what Mr M declared or the results of its checks to indicate the data it received was not an accurate reflection of Mr M's credit account conduct.

As part of my review, I've considered what Mr M's representative has said about the number of credit facilities Mr M had opened in the 12 months preceding each application. It said at loan 1, 17 such accounts had been opened. But the credit search results received by Quid Market didn't suggest Mr M was constantly seeking credit before any of the loans.

The information received from all three loans was fairly similar in relation to the number of accounts opened. For the first loan, it was told that Mr M had in the last six years had a total of 9 accounts of which 5 had been settled. There was no indication from the credit check results that over the previous 12 months Mr M had opened anywhere near the number of accounts as suggested by his representatives.

I don't know why Quid Market's search didn't pick up the accounts Mr M's representative has said was present – but as I've said above Quid Market was entitled to rely on what it was told.

There were also no signs that Mr M was likely having financial difficulties before any of the loans were approved. There were no missed payments, or defaults within the last three years or any other signs of insolvency such as County Court Judgements. Each credit report showed that Mr M was managing his existing repayments well.

In my view, the credit search wouldn't have prompted Quid Market to undertake a more details assessment of Mr M's circumstances or have led it to automatically decline his applications.

Overall, the checks Quid Market carried out before lending were proportionate and the checks indicated these loans were likely to be affordable for Mr M. Quid Market took steps to check his income and it was reasonably entitled to rely on the results of the credit check as well as using estimates for living costs. The credit file didn't show any missed payments or anything else to have given Quid Market cause for concern.

As such, it hadn't reached the point where Quid Market needed to verify what Mr M was telling it through supporting documentation or bank statements – doing so given the checks it had done and what they showed would've been disproportionate.

For the above reasons I am not upholding Mr M's complaint about these loans.

I've also 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 Quid Market lent irresponsibly to Mr M 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.

My final decision

For the reasons I've outlined above, I am not upholding Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 August 2025.

Robert Walker
Ombudsman