

The complaint

Miss M complains that PROPEL HOLDINGS (UK) LIMITED trading as Quidmarket (Quidmarket) gave her a loan without carrying out sufficient affordability checks. Had better checks been made Quidmarket would've seen she was already over indebted and she was gambling.

What happened

Miss M was advanced one instalment loan of £600 in April 2025 and she was due to make six monthly repayments of £181.11. Based on the latest information I have to hand an outstanding balance remains due.

Quidmarket didn't uphold Miss M's complaint and so she referred it to the Financial Ombudsman. Where it was reviewed by an Investigator, who didn't uphold the complaint because in their view proportionate checks had been conducted.

Miss M didn't agree saying the amount of disposable income calculated by Quidmarket was inaccurate and her credit file showed she was reliant on credit. This ought to have led Quidmarket to conduct a more detailed check. 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.

Firstly, I'm sorry to hear about Miss M's gambling, I do hope that she's received the help and support she made need in relation to this.

Quidmarket had to assess the lending to check if Miss M could afford to pay back the amount she'd borrowed without undue difficulty. It needed to do this in a way which was proportionate to the circumstances. Quidmarket'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 Miss 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 Quidmarket should have done more to establish that any lending was sustainable for Miss M. These factors include:

- Miss 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);

- Miss 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);
- Miss 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 Miss M. As only one loan was approved this doesn't apply to Miss M's complaint.

Quidmarket was required to establish whether Miss M could sustainably repay the loan – not just whether she technically had enough money to make her repayments. Having enough money to make the repayments could of course be an indicator that Miss M was able to repay her loan sustainably. But it doesn't automatically follow that this is the case.

Miss M told Quidmarket that she received a monthly salary of £2,635. Quidmarket didn't just rely on what Miss M said – it says that it would've checked either the income electronically – most likely through one of the tools made available by the credit reference agencies or it would've collected payslips.

No payslips have been provided by Quidmarket, so on balance a check was conducted using one of the tools I've mentioned above. No adjustments were made indicating that the declared income was likely to be accurate. For a first loan, the checks into Miss M's income were proportionate.

In terms of outgoings, Miss M said she lived at home with parents and her total monthly outgoings came to £1,108. Quidmarket then went about checking the information Miss M had provided along with conducting a credit search – which I'll come on to below. This further check led Quidmarket to uplift Miss M's food and travel costs – so in total Quidmarket calculated her outgoings were £1,258 per month.

Thinking about the circumstances of the application I think it was entirely fair and proportionate for Quidmarket to have taken on board what Miss M had provided and which showed with the further checks the loan was likely affordable.

As part of the application Quidmarket carried out a credit search and it has provided the results. I've reviewed the results because Miss M has said the report showed enough concerning information that it ought to have led to more in-depth checks.

The credit check results had no defaults, County Court Judgments or any other types of insolvencies recorded. And all of Miss M's active and closed accounts had been repaid as expected because there were no missed payment markers recorded.

Quidmarket did know Miss M was using her overdraft – but the credit report suggested this usage fluctuated – as would be expected. So, this isn't a reason to say it ought to not have lent. After all there are no regulations that say a loan can't be provided because a customer maybe using their overdraft.

Miss M has also said she had significant debts and while I can see Quidmarket was told of existing debt of just under £6,400 that was a relevantly small amount compared to her annual income. And as I've said above the debt was being repaid as expected so the total amount of debt wouldn't have been overly concerning.

And while I can see from the report Miss M had taken out and repaid some other credit including two loans that were identified as being pay day loans the overall conduct of her credit report wouldn't have led to further checks or to have declined Miss M's application.

Having looked at all the information Miss M provided and the results of Quidmarket's own checks I've seen no reason why it would've been concern enough for it to have either declined the application or to have requested further information. It would've been disproportionate for Quidmarket to have considered Miss M's bank statements and as such it couldn't and wouldn't have known that Miss M was gambling.

Miss M has also said the interest rate on the loan is too high. I've considered this but it's not led me to change the outcome of the complaint. The industry regulator implemented a cost cap for this type of loans. This means a lender can't collect more than 100% of the amount advanced. Looking at the circumstances of this complaint the most Quidmarket will be able to collect – under the terms of the agreement was £1,200.

I've noted the cost of the loan – if payments were repaid as per the agreement would've resulted in a total to repay of less than the permitted cost cap. And even if further charges have been levied, I've not seen anything to make me think Quidmarket has breached the cost cap as such I can't make a direction for any adjustment to be made to the interest rate.

Therefore, I am not upholding Miss M's complaint about the loan.

I've also considered whether Quidmarket acted unfairly or unreasonably in any other way including 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 Quidmarket lent irresponsibly to Miss M or otherwise treated her 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 Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 16 February 2026.

Robert Walker
Ombudsman