

The complaint

Mr B complains that PROPEL HOLDINGS (UK) LIMITED trading as Quid Market (Quid Market) gave him a loan at a time when he was financially vulnerable and Quid Market would've known this had it conducted sufficient affordability checks.

What happened

Mr B was advanced one instalment loan of £600 in December 2024, and he was due to make six monthly repayments of £199.99. Based on the latest information I have to hand an outstanding balance remains due.

Quid Market didn't uphold Mr B's complaint and so he referred it to the Financial Ombudsman. It was then considered by an Investigator, who didn't uphold the complaint because in their view proportionate checks had been conducted. Mr B didn't agree, and I've summarised his response below.

- Mr B's credit file shows missed payment markers with other creditors from November and December 2024 which would've been visible to Quid Market.
- Mr B's bank statements show he was spending significant amounts each month on gambling. The statements don't appear to have been considered.
- Mr B's income was accurate, but he had only just gone back to work after a period of unemployment.
- Quid Market had to significantly increase his declared living costs.
- Mr B was already reliant on payday lending when he took the loan.

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 B could afford to pay back the amount 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 B'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 B. These factors include:

- Mr B 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 B 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 B 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 B. As only one loan was approved this doesn't apply to Mr B's complaint.

Quid Market was required to establish whether Mr B could sustainably repay the loan – 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 B was able to repay his loan sustainably. But it doesn't automatically follow that this is the case.

Mr B told Quid Market that he received a monthly salary from a full-time job of £4,500. Quid Market say it wouldn't just rely on what Mr B 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 Quid Market, so on balance if a check was conducted using one of the tools I've mentioned above and no adjustments were made indicating the declared income was likely accurate. For a first loan, the checks into Mr B's income were proportionate.

However, if I am wrong here and Quid Market didn't do any check into Mr B's income that still wouldn't have led me to a different outcome. For a first loan it may well have been perfectly plausible to rely on what Mr B declared – indeed Mr B has said the amount he declared was accurate. So further checks wouldn't likely have shown anything different.

Mr B says the income needed to be taking into the wider context that he had only just returned to work after a period of unemployment. But I'm not convinced that a proportionate check would've highlighted this – after all it was reasonable for Quid Market to have relied on what it was told by Mr B and there isn't anything that prohibits lending to someone who had recently returned to work.

In terms of outgoings, Mr B said his monthly outgoings including his credit commitments came to £1,650. Quid Market then went about checking the information Mr B had provided along with conducting a credit search – which I'll come on to below.

Having carried out checks into the information Mr B had declared it uplifted his food and credit commitments. In total, Quid Market worked out Mr B's likely monthly outgoings came to £3,096. Even with the uplift there appeared to be sufficient disposable income for Mr B to afford the loan.

Mr B has said the adjustments ought to have raised some concerns. I've thought about this, but I think it would've been more concerning had Quid Market believed Mr B's outgoings were more than he declared and hadn't taken on board what it thought these costs were likely to be each month.

The regulations allow Quid Market to make sure of statistical data and other information to work out a consumer's likely outgoings. The use of statistical data in these circumstances isn't a reason for me to uphold the complaint.

Thinking about the circumstances of the application I think it was entirely fair and proportionate for Quid Market to have taken on board what Mr B had provided, and which showed with the further checks the loan was still likely affordable.

Quid Market carried out a credit search, and it has provided the results. Quid Market didn't need to conduct a credit search let alone one to a specific standard. But what it couldn't do was conduct a credit search and then ignore or disregard the results.

The credit report showed that excluding the mortgage Mr B had just over £6,000 of existing debt which, given his income, wouldn't have been overly concerning for Quid Market. Having looked at all the information Mr B provided and the results of Quid Market's own checks I've seen no reason why it would've been concerned enough for it to have either declined the application or to have requested further information.

The credit check results showed no defaults, County Court Judgments or any other types of insolvencies recorded. All of Mr B's active and closed accounts had been repaid as expected because there was no missed payment markers recorded within the credit report Quid Market received. And while it was aware of some outstanding loans, these had all been paid well and wouldn't have been of a concern.

It's also the case that Quid Market may not have seen all of the information that Mr B is able to see in his own credit report. There are a number of reasons for this – Quid Market may only ask for certain pieces of information or some information that Mr B can now see in his own credit file wouldn't have been visible to Quid Market at the time – for example it can take around six weeks for new credit to appear on a credit report.

It is therefore entirely feasible for Mr B to have opened new accounts – or had missed payments on his other accounts which hadn't yet filtered through to the results given to Quid Market. I only mention this because Mr B has provided screen shots of two accounts that show at the time of the lending decision were in arrears.

Mr B's screen shots from his own credit file show a utility account was in arrears in November 2024. However, the credit entry for the utility account in the Quid Market reported showed the account was up to date – but the last time that account had been updated was 1 October 2024. And so, it seems that while the account was in arrears at the time – that information had not yet appeared in the results given to Quid Market.

Turning to the leasing account Mr B had, this shows from the screen shots a number of missed payments throughout 2024. However, this credit account doesn't appear in the result that were provided to Quid Market. There are a number of reasons for this but one could be the leasing company only reports to a different credit reference agency that wasn't used by Quid Market. But I'm satisfied Quid Market wasn't aware of the leasing account and without being aware of it, it wouldn't and couldn't have factored into its affordability check.

Even taking into account the above, I'm still satisfied Quid Market was reasonably entitled to rely on the credit search results as there was no indication that what it was provided with was in any way inaccurate.

Mr B has provided copy bank statements which do show gambling transactions. In my view, given the overall checks that were carried out it would've been disproportionate for Quid Market to have considered his bank statements. As such by carrying out what I consider to be a proportionate check Quid Market couldn't have known about Mr B was gambling.

Therefore, I am not upholding Mr B's complaint about the loan. An outstanding balance does remain due and I would remind Quid Market of its obligation to treat Mr B fairly and with forbearance while discussing a way forward.

I've also considered whether Quid Market acted unfairly or unreasonably in any other way including whether the relationship might have been unfair under Section 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 B 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 B's complaint.

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

Robert Walker
Ombudsman