

The complaint

Mr R complains Propel Holdings (UK) Limited trading as Quid Market irresponsibly lent to him.

What happened

Mr R took out four loans with Quid Market as follows:

Loan Number	Loan Amount	Agreement date	Repayment date	No. of monthly instalments	Monthly repayment
1	£300	14/06/2021	29/10/2021	5	£99.16
Significant break in lending					
2	£400	05/01/2024	22/03/2024	3	£181.42
3	£500	22/03/2024	21/06/2024	3	£249.10
4	£500	25/07/2024	22/11/2024	4	£204.31

In December 2024, Mr R – via a professional representative (PR) - complained to Quid Market about its decision to lend. In doing so, PR said that Quid Market failed to undertake the requisite creditworthiness and affordability checks prior to granting the loans.

In January 2025, Quid Market issued its final response in which it did not uphold the complaint. In doing so, Quid Market said that it had carried out sufficient checks prior to agreeing to lend and, having done so, it was satisfied the lending was affordable for Mr R.

Unhappy with this, PR on behalf of Mr R referred his complaint to our service.

One of our investigators reviewed Mr R's complaint. The investigator issued their opinion in May 2025 in which they did not uphold the complaint. In doing so, the investigator said that Quid Market completed reasonable and proportionate checks prior to agreeing to lend and the information it gathered as a result of those checks wouldn't have given it cause to refuse to lend.

PR on behalf of Mr R didn't agree with the investigator's findings. In doing so, PR cited a similar complaint concerning another lender it had brought to our service on behalf of Mr R which had been upheld.

As an agreement couldn't be reached, the complaint has been passed to me to review afresh.

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.

The Financial Ombudsman Service has set out its general approach to complaints about irresponsible and unaffordable lending on its website. And, having taken this into account along with everything else I need to consider, I don't think it would be fair or reasonable to

uphold this complaint. I recognise this will be disappointing for Mr R. I hope my explanation helps him to understand why I've come to this conclusion.

Mr R was provided with high-interest loans, intended for short-term use. So Quid Market needed to make sure that it didn't provide it irresponsibly. In practice this means that it should have carried out proportionate checks to make sure Mr R could repay the loan repayments when they fell due and without the need to borrow further.

These checks weren't prescriptive, but could take into account a number of different things such as how much was being lent, the repayment amounts and the consumer's income and expenditure.

So, in keeping with the information on the Financial Ombudsman Service's website, I think there are a number of overarching questions I need to consider when deciding a fair and reasonable outcome given the circumstances of this complaint:

1. Did Quid Market carry out reasonable and proportionate checks to satisfy itself that Mr R was likely to have been able to repay the borrowing in a sustainable way?
 - i. If Quid Market carried out such checks, did it lend to Mr R responsibly using the information it had?

Or
 - ii. If Quid Market didn't carry out such checks, would appropriate checks have demonstrated that Mr R was unlikely to have been able to repay the borrowing in a sustainable way?
2. If relevant, did Mr R lose out as a result of Quid Market's decision to lend to him?
3. Did Quid Market act unfairly or unreasonably in some other way?

There are many factors that could be relevant when determining how detailed proportionate checks should have been. And while much will depend on the circumstances in question, the more obvious factors include – though aren't necessarily limited to:

- The type of credit Mr R was applying for along with the size, length and cost of the borrowing; and
- Mr R's financial circumstances – which included his financial history and outlook along with his situation as it was, including signs of vulnerability and/or financial difficulty.

And generally speaking, I think reasonable and proportionate checks ought to have been more thorough:

- The lower an applicant's income because it could be more difficult to make the repayments as a result;
- The higher the amount repayable because it could be more difficult to meet a higher repayment, especially from a lower level of income; and
- The longer the loan term, because the total cost of the credit was likely to have been greater given the longer time over which repayments have to be made.

As a result, the circumstances in which it was reasonable to conclude that a less detailed affordability assessment was proportionate strike me as being more likely to be limited to applicants whose financial situation was stable and whose borrowing was relatively insignificant and short-lived – especially in the early stages of a lending relationship.

I've carefully considered all of the arguments, evidence and information provided in this context and what this all means for Mr R's complaint.

Loan 1

Did Quid Market carry out reasonable and proportionate checks?

Quid Market has told us that, prior to agreeing to lend, it asked Mr R to provide information about (amongst other things) his residential status, income, housing costs and existing financial commitments.

Mr R declared he was a private tenant with net monthly income of £1,700. He declared his rent was £595 per month and his existing credit commitments totalled £80 per month. He also said that he paid £70 towards food and travel.

Quid Market carried out electronic checks to verify his income and, having done so, it was satisfied Mr R's declared income was accurate.

Quid Market also carried out credit checks which provided it with information about Mr R's credit history and what he was paying to service his existing credit commitments. As a result, it made an upward adjustment to the figure Mr R had declared. It calculated Mr R was committed to paying £421 per month towards his existing credit commitments. It is worth saying here that although Quid Market carried out a credit search there wasn't a regulatory requirement to do one, let alone one to a specific standard. But what Quid Market couldn't do is carry out a credit search and then not react to the information it received – if necessary.

Quid Market also made an upward adjustment to the figure Mr R declared for food and travel. It increased this figure to £250 in the income and expenditure assessment it carried out.

It wasn't a particularly large loan, and the monthly repayments were not substantial in relation to what Quid Market understood to be Mr R's income. And it was repayable over a reasonably short period of time.

Further, this appears to have been Mr R's first loan with Quid Market. As such, I don't think there was any established pattern in his borrowing needs, at least from Quid Market, at that stage.

Therefore, I think Quid Market proceeded with a proportionate amount of information.

However, once Quid Market had the information it thought it needed, it then had to evaluate it because it still had to reasonably assess whether Mr R could afford to meet the loan repayments in a sustainable way over the term of the loan.

Did Quid Market lend to Mr R responsibly using the information it had?

The information Quid Market gathered suggested Mr R's income was £1,700 per month. From this, Quid Market deducted £595 for rent (a figure Mr R declared as part of his

application), £250 for 'food and travel' and £421 to service his existing credit commitments (source from the credit check it carried out).

Deducting all of this from Mr R's income, it looked like he had £434 disposable income per month before the lending in question was taken into account. By deducting the monthly repayment for the lending in question (£99.16) from this figure, Mr R was left with £334.84.

So, Quid Market was satisfied that the loan repayments for this loan should've been affordable for Mr R on a simple pounds and pence basis. This was, in my view, a reasonable conclusion in the circumstances.

I've turned to look at the results from the credit check Quid Market carried out. The results suggested there was no indication of any defaults, insolvencies or any other public records – such as County Court Judgments – about which Quid Market had been informed.

I note the report did provide some indicators that Mr R *may* have been having some problems managing his money. For example, I can see Mr R's total unsecured debt was £15,010 (spread across six accounts) which is reasonably high compared to what Quid Market understood to be his income. What's more, it appears Mr R was utilising the vast majority (97%) of his revolving credit facilities.

But here I note Mr R appeared to be managing his accounts well. As far as I can see, there were no recent arrears markers on his accounts, and all accounts appeared to be being well maintained. Furthermore, the combined monthly repayment for this debt (which Quid Market factored into its affordability calculation) was not a concern.

So, looking at things in the round, I don't think the results of the credit check Quid Market carried out should have prompted further checks or prevented it from lending to Mr R. I say this keeping in mind the rest of the information Quid Market gathered as part of its checks wouldn't have given it cause for concern.

I understand Mr R says that his financial situation may have been worse than the information Quid Market gathered at the time suggested. However, for the reasons I've explained, I think Quid Market carried out proportionate checks even though it looks like some of the information it was provided with didn't tell the whole story. It relied, reasonably in my view, on the information it did have which wouldn't have alerted it to Mr R's problems.

And given the size of Mr R's monthly repayments, I don't think it was unreasonable of Quid Market to grant this loan with all of that being the case.

Loan 2-4

I've considered Loan 1 and Loans 2-4 separately because there was a gap of over two years between Mr R repaying loan 1 and returning for Loan 2. This gap, in my view, meant that Quid Market could treat Mr R as if he was a new customer when he returned for Loan 2. So, while Mr R took his second loan with Quid Market this became, in effect, Loan 1 of a new lending chain.

Did Quid Market carry out reasonable and proportionate checks?

Prior to agreeing Loans 2-4, Quid Market carried out much the same checks as it did for Loan 1. It asked Mr R to provide details about his residential status, income, housing costs and existing monthly credit commitments.

Quid Market made adjustments (where necessary) to these figures based on both the electronic income verification it carried out and on the information it gathered from the credit search it completed.

Having done so, Quid Market calculated Mr R's net monthly income each month was £2,200. From this figure, it made the relevant deductions (including the monthly repayment for the lending in question) and, having done so, Quid Market calculated Mr R had around £693 for Loan 2, £580 for Loan 3 and £450 and Loan 4 left over each month to cover other bills, expenses or unexpected costs.

The loans in question were not particularly large, and the monthly repayments were not, in my view, too significant in relation to what Quid Market understood to be Mr R's income. What's more, the loans were repayable over a reasonably short period of time.

Further, whilst Mr R took out a loan with Quid Market two years prior, I don't think there was any established pattern in his borrowing needs, at least from Quid Market, at that stage. Therefore, I think Quid Market proceeded with a proportionate amount of information prior to deciding to lend Loans 2-4.

However, once Quid Market had the information it thought it needed, it then had to evaluate it because it still had to reasonably assess whether Mr R could afford to meet the loan repayments in a sustainable way over the term of the loan.

Did Quid Market lend to Mr R responsibly using the information it had?

As I've said, the income and expenditure assessment Quid Market carried out prior to each lending decision suggested Mr R was left with sufficient disposable income to sustainably repay Loans 2-4 on a simple pounds and pence basis. This was, in my view, a reasonable conclusion in the circumstances.

I've turned to look at the results from the credit check Quid Market carried out to understand what else Quid Market learned about Mr R's circumstances and whether this ought to have given it cause to refuse to lend. Here, for ease of reference, I'll set out the credit check results in relation to each loan separately.

Loan 2

The credit search results suggested there was no indication of any insolvencies or any other public records – such as County Court Judgments – about which Quid Market had been informed.

I note that there were three defaults present on the report. The most recent of these was applied around 16 months prior to the lending in question. With that being the case, I think these could be considered historic and Quid Market would have reasonable grounds to conclude this was not representative of Mr R's current financial situation. In other words, I don't think this would have given Quid Market cause for concern.

What's more, it isn't unusual for lenders in the sector Quid Market operates in to lend to a customer who has previously defaulted on credit. More importantly there isn't a prohibition on lending to a customer that has previously defaulted on credit.

It also appears there was also a delinquent account – with a delinquency balance of £306 - present on the report. This was applied around eight months prior to the lending in question. It appears Mr R had been in arrears on this account for some time so it seems likely that this

account had been abandoned rather than it, in itself, reflecting any inherent ongoing difficulty.

But, putting that to one side, what's more important is that even allowing for payments to the delinquent account and reasonable repayments to all of Mr R's existing credit commitments, this loan appears to have been affordable for him.

What's more, it appears Mr R's overall unsecured indebtedness was £4,482 which, in my view, was not significant relative to what Quid Market understood to be Mr R's income. And Mr R's revolving credit (which made up the majority of his overall indebtedness) utilisation was 42% which I wouldn't expect to raise concerns.

The report did show that Mr R had opened two accounts in the preceding six months. One of these appears to have been a Charge Card opened around five months prior which was carrying a nominal balance at the time the lending in question was granted. And the other appears to be a short-term loan Mr R entered into in early November 2023. This account was settled in late November 2023 with no adverse information reporting. I don't think this information ought to have given Quid Market cause of concern or otherwise lead it to conclude Mr R was reliant on credit to get by.

So, looking at things in the round, I don't think the results of the credit check Quid Market carried out should have prompted further checks or prevented it from lending to Mr R.

And bearing in mind it wasn't an unusually large loan and it was repayable over a period of just three months, I don't think Quid Market had any good reason to think Mr R's financial situation was likely to change significantly during the loan term such that he would experience difficulty making the monthly repayments as they fell due.

So, I don't think Quid Market made an unfair decision when it approved Loan 2.

Loan 3

The credit check carried out prior to approving Loan 3 paints a similar picture to that of Loan 2, which is perhaps unsurprising bearing in mind Loan 3 was taken out just two months later. Mr R's overall indebtedness had increased slightly from Loan 2 to £4,966. This, in my view, is a modest increase and I don't think ought to have given Quid Market cause for concern. I say this bearing in mind Mr R's revolving credit utilisation appears to have decreased slightly to 40%.

The results suggested there was no indication of any insolvencies or any other public records – such as County Court Judgments – about which Quid Market had been informed.

The three, in my view, historic defaults and one delinquent account were still present on the report. But as I have determined that those would not have made much of a difference to Quid Market's decision to approve Loan 2, my view remains the same for his application for Loan 3. I note that the report did not reveal any new adverse information – such as active arrears, defaults or delinquent accounts.

The report did reveal that Mr R had opened four accounts¹ in the preceding six months. This is in addition to Loan 2 which is not showing on the report so Mr R had, as far as Quid Market was concerned, opened five accounts in the preceding six months.

¹ One of which – the loan account opened in November 2023 - was identified in the credit search carried out during the application for Loan 2

I've identified these accounts on the report and they were for small, short-term loans, and had no payment issues on them. I do not consider that Quid Market would have been concerned about those.

What's more, it looks like Mr R repaid Loan 2 without any issues. Quid Market is entitled to review any payment history it may have had as part of its assessment when Mr R applied for the Loan 3 very soon after repaying Loan 2.

With all of this in mind, I don't think the results of the credit check Quid Market carried out should have prompted further checks or prevented it from lending to Mr R.

So, I don't think Quid Market made an unfair decision when it approved Loan 3.

Loan 4

Mr R's overall financial circumstances do not appear to have changed significantly between Loan 3 and Loan 4. Mr R's overall indebtedness had decreased slightly to £4,903 and, bearing in mind what Quid Market understood to be Mr R's income and as with Loan 3, I don't think this level of indebtedness ought to have given Quid Market cause for concern. What's more, I note Mr R's revolving credit utilisation appears to have remained at 40%. I think all of this would lead Quid Market to conclude, not unreasonably, that there was a degree of stability with regards to Mr R's financial circumstances.

As with Loan 2, the three (historic) defaults and one delinquent account were still present on the report. But as I have determined that those would not have made much of a difference to Quid Market's decision to approve Loans 2 or 3, my view remains the same for his application for Loan 4. Further, I note that the report did not reveal any new adverse information – such as active arrears, defaults or delinquent accounts.

The report does reveal that Mr R had opened a total of nine accounts in the preceding six months, this includes one account identified in the earlier credit searches, as well as Loan 3. I've identified the remaining accounts on the report and they were for small, short-term loans, and had no payment issues on them. So, looking at the things in the round, including what Quid Market understood to be Mr R's income and expenditure, I don't think this, in and of itself, is sufficient cause for Quid Market to consider the lending in question to be unaffordable and/or unsustainable. I say this noting that Loan 3 was repaid without any repayment issues.

With all of this in mind, I don't think the results of the credit check Quid Market carried out contained the level of adverse information that either should have prompted further checks or prevented it from lending to Mr R. So, I don't think Quid Market made an unfair decision when it approved Loan 4.

Did Quid Market act unfairly or unreasonably in some other way?

In response to the investigator's findings, PR pointed to a similar complaint it brought to our service on Mr R's behalf concerning a different lender which was upheld. It said that it *believes the two cases appear to have opposing views of the customer's financial position*. It's important for me to explain that we consider complaints on an individual basis and looking at the individual circumstances. Furthermore, I'm not bound by the outcomes reached on different cases. Ultimately, I'm required to consider the facts of a case and reach my own conclusion on what's fair and reasonable in all the circumstances.

That said, consistency is important and with a view to providing some clarity and reassurance to Mr R, it might help for me to explain that there are some key differences between this complaint made by Mr R and his other case.

I note the lending decision in Mr R's other case was made in late 2021, so any comparison could only reasonably be drawn in relation to Loan 1 which was taken out June 2021. Any comparison with regards to Loans 2-4 would be unreasonable because those lending decisions took place several years later.

As I've set out above, the lending decision in Mr R's other case took place nearly six months after Loan 1 was granted. So, I don't consider finding that Loan 1 was granted fairly is inconsistent with finding that a lending decision made six months later was unfair. After all, it is perfectly plausible that an applicant's financial situation could deteriorate in that time.

What's more, as our investigator noted, different credit reference agencies may report different information. It is my understanding that the lender in Mr R's other case relied on a different credit reference agency to the one Quid Market used when it made its decision to grant Loan 1. So it is plausible that the other lender was alerted to a greater degree of adverse information compared to Quid Market when it granted Loan 1. And I think I'd be applying the benefit of hindsight unfairly if I were to now use an alternative credit report (including Mr R's own copy of his credit report) to argue that Quid Market's credit search was in some way inadequate or incomplete when that didn't appear to be the case at the relevant time.

Finally, the lending in question was for a much shorter duration compared to the lending in Mr R's other case. So, there are different considerations at play with regards to Mr R's ability to sustainably repay the borrowing. After all, in this case, Mr R was expected to maintain the monthly payments for five months whereas in Mr R's other case the loan term was more than three times longer.

With all of this being the case – and taking into consideration the specific circumstances of this complaint - I don't consider that my answer here is incompatible or inconsistent with any outcomes reached on Mr R's other case.

I've also considered whether Quid Market acted unfairly or unreasonably in some other way given what Mr R has complained about, including whether their relationship with him might have been viewed as unfair by a court under s.140A Consumer Credit Act 1974.

However, for the reasons I've already given, I don't think Quid Market lent irresponsibly to Mr R or otherwise treated him unfairly. I haven't seen anything to suggest that Section 140A or anything else would, given the facts of this complaint, lead to a different outcome here.

Whilst I recognise this will be disappointing for Mr R, I do not think Quid Market has acted unfairly here and, therefore, I do not uphold this complaint.

My final decision

For the reasons I've outlined above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 29 October 2025.

Ross Phillips
Ombudsman

