

The complaint

Miss W complains Propel Holdings (UK) Limited trading as Quidmarket irresponsibly lent to her.

What happened

Miss W took four loans with Quidmarket as follows:

Loan No.	Loan Amount	Agreement date	Repayment date	Term (months)	Monthly repayment
1	£300	23/04/2022	30/09/2022	6	£88.55
2	£400	24/10/2022	29/03/2023	6	£116.96
3	£400	24/08/2023	09/02/2024	6	£117.39
4	£400	22/07/2024	Active ¹	6	£133.32

In September 2024, Miss W – via a professional representative - complained to Quidmarket about its decision to lend.

In October 2024, Quidmarket issued its final response in which it did not uphold the complaint. In doing so, Quidmarket 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 Miss W. Unhappy with this, PR on behalf of Miss W referred her complaint to our service.

One of our investigators reviewed Miss W's complaint. The investigator issued their opinion in May 2025 in which they upheld the complaint in part. In doing so, the investigator said that – with regards to Loans 1-3 - Quidmarket 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.

However, the investigator said that the information Quidmarket gathered prior to approving Loan 4 ought to have alerted it to Miss W's financial difficulties such that she would have difficulty sustainably repaying this loan. With that being the case, the investigator recommended the complaint about Loans 4 is upheld.

Quidmarket did not agree with the investigator's findings insofar as it relates to Loan 4. As an agreement couldn't be reached, the complaint was passed to me to review afresh.

On 22 October 2025, I issued a provisional decision, in which I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I do not currently think this complaint should be upheld. I'll explain why I think this is a fair outcome in the circumstances.

¹ Correct at the point the complaint was referred to our service.

The Financial Ombudsman Service has set out its general approach to complaints about irresponsible and unaffordable lending on its website.

Miss W was provided with high-interest loans, intended for short-term use. So Quidmarket needed to make sure that it didn't provide these loans irresponsibly. In practice this means that it should have carried out proportionate checks to make sure Miss W 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 Quidmarket carry out reasonable and proportionate checks to satisfy itself that Miss W was likely to have been able to repay the borrowing in a sustainable way?

i. If Quidmarket carried out such checks, did it lend to Miss W responsibly using the information it had?

Or

ii. If Quidmarket didn't carry out such checks, would appropriate checks have demonstrated that Miss W was unlikely to have been able to repay the borrowing in a sustainable way?

2. If relevant, did Miss W lose out as a result of Quidmarket's decision to lend to her?

3. Did Quidmarket 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 Miss W was applying for along with the size, length and cost of the borrowing; and*
- Miss W's financial circumstances – which included her financial history and outlook along with her 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 Miss W's complaint.

Loans 1-3

The investigator did not uphold Miss W's complaint about Loans 1-3 and neither PR nor Quidmarket disagreed with the investigator's opinion in this regard. It therefore seems these loans are no longer in dispute, so I won't be commenting on them in detail.

But for completeness, I've reviewed all the information Quidmarket gathered including details of Miss W's income, expenditure and the output from its credit search.

Noting the size and length of the lending, I consider these checks to be reasonable and proportionate in the circumstances. And, like the investigator, I don't think the results of these proportionate checks ought to have given Quidmarket cause to carry out further checks or otherwise refuse to lend.

So, I think Quidmarket made a fair lending decision when it granted these loans.

Loan 4

The investigator upheld Miss W's complaint about Loan 4. Quidmarket did not agree with this opinion. So, I've taken a look at what happened here in more detail.

Did Quidmarket carry out reasonable and proportionate checks?

Quidmarket has told us that, prior to agreeing to lend, it asked Miss W to provide information about (amongst other things) her residential status, income, housing costs and existing financial commitments.

Miss W declared she was living with parents with a net monthly income of £1,250. It is my understanding that Quidmarket carried out electronic checks to verify Miss W's income and, having done so, it was satisfied the figure Miss W declared to be accurate.

Miss W also declared he was spending £20 per month on utilities and £160 towards 'food and travel'. Quidmarket made an upward adjustment – to £250 - to the latter.

Quidmarket also carried out a credit check which provided it with information about Miss W's credit history and what she was paying to service her existing credit commitments. The results suggested Miss W had £1,342 in existing unsecured debt spread across a total of seven active accounts. So, on the face of it, Miss W was not overindebted. As a result of what it saw, Quidmarket added monthly expenditure of £109 towards her existing credit commitments.

Deducting this expenditure from Miss W's income, it looked like she had around £871 left over each month to meet her other commitments and general living costs. Once the monthly repayment for the lending in question (£133.32) was also deducted from this figure, it looked like Miss W was left with around £737 each month.

However, a closer look at the credit search data does, in my view, reveal signs Miss W may

have been having problems managing her money. I say this because I can see a default was applied to a loan account around six months prior to the lending in question. What's more, I note the monthly repayment for the defaulted loan was around half of what Miss J was expected to pay each month for Loan 4.

In addition, I can see Miss W had two recent arrears marker applied to her current account and she had also recently been over the agreed overdraft limit for consecutive months. I accept that it isn't unusual for lenders in the sector Quidmarket operates in to lend to a customer who has previously defaulted on credit or otherwise previously experienced financial difficulties. And I accept there isn't a prohibition on lending to a customer that has previously defaulted on credit. So, unlike our investigator, I don't think Quidmarket ought to have refused to lend based on what it saw. I say this noting the rest of the information Quidmarket gathered suggested the lending was affordable and sustainable for Miss W. However, I think the information Quidmarket gathered ought to have called into question the rest of the income and expenditure it obtained which, as I set out earlier, included a reasonably high level of disposable income. And this, in turn, ought to have prompted it to make more searching enquiries about Miss W's financial situation to ensure it was lending responsibly.

I accept it wasn't a particularly large loan, and it was repayable over a reasonably short period of time. However, I've thought about the overall circumstances in which the application was made and, having done so, I don't think the checks Quidmarket carried out were reasonable and proportionate in this instance.

Would reasonable and proportionate checks have demonstrated that Miss W was likely to have been able to repay the borrowing in a sustainable way?

It isn't possible to determine with certainty what reasonable and proportionate checks would have shown Quidmarket in practice as I don't know what checks it would have decided to carry out if it had its time again.

As a result, what I'm considering here is the likelihood of reasonable and proportionate checks showing Quidmarket that Miss W would have been able to sustainably repay the borrowing in question. And for that reason, it is necessary to now consider information that Quidmarket hadn't considered in July 2024.

Quidmarket could have obtained a deeper understanding of Miss W's financial circumstances by asking for her bank statements. However, despite several requests, PR on behalf of Miss W has been unable to provide us with her bank statements for the months prior the lending decision.

Without this information I'm unable to reasonably understand what Miss W's actual financial circumstances – including her income and expenditure - looked like at the point of sale. As a result, I'm unable to conclude that proportionate checks would have shown the agreement was unaffordable. I simply don't have enough evidence to suggest this.

In summary, in the absence of further evidence suggesting otherwise, my conclusion at this stage is that I think Quidmarket made a fair lending decision.

Did Quidmarket act unfairly or unreasonably in some other way?

In reaching this conclusion, I've also considered whether Quidmarket acted unfairly or unreasonably in some other way given what Miss W has complained about, including whether their relationship with her 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 Quidmarket lent irresponsibly to Miss W or otherwise treated her 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.

Responses to my provisional decision

I gave both parties an opportunity to respond to my provisional decision.

Neither party provided any further submissions.

The deadline to do so was 5 November 2025. As that deadline has now lapsed, I've reviewed the complaint again.

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.

Having reconsidered the available evidence in this complaint – and in the absence of any further submissions or evidence from either party - I see no reason to depart from the findings set out in my provisional decision.

This being that, based on the information available, I do not think Quidmarket made an unfair lending decision.

In reaching this conclusion, I've also considered whether Quidmarket acted unfairly or unreasonably in some other way given what Miss W has complained about, including whether their relationship with her 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 Quidmarket lent irresponsibly to Miss W or otherwise treated her 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.

.My final decision

For the reasons set out here and in my provisional decision, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 4 December 2025.

Ross Phillips
Ombudsman