

The complaint

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

What happened

Quidmarket provided Mr R with a single loan in September 2023. The loan was for £600 and it was due to be repaid through six instalments (spread across 189 days) of £199.99. The total amount to be repaid by the end of the loan term, including interest, was £1,199.94.

In July 2025, Mr R complained to Quidmarket about its decision to lend.

In August 2025, 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 Mr R.

Unhappy with this, Mr R referred his complaint to our service.

One of our investigators reviewed Mr R's complaint. The investigator issued their opinion in November 2025 in which they did not uphold the complaint. In doing so, the investigator said that 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.

Mr R did not agree with the investigator's findings.

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 a high-interest loan, intended for short-term use. So Quidmarket 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 Quidmarket 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 Quidmarket carried out such checks, did it lend to Mr R responsibly using the information it had?

Or
 - ii. If Quidmarket 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 Quidmarket's decision to lend to him?
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 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.

Did Quidmarket carry out reasonable and proportionate checks?

Quidmarket has told us that, prior to agreeing to lend, it asked Mr R to provide information about (amongst other things) his residential status, income and monthly expenditure. The latter was broken down into a number of categories including existing credit commitments, mortgage/rent, utilities and food/travel.

Mr R declared he was living a private tenant with a net monthly income of £2,000. Quidmarket says it carried out electronic checks to verify Mr R's income and, having done so, it was satisfied the figure he declared was accurate.

Mr R declared his monthly expenses – spread across the aforementioned categories - totalled £610 as follows:

Credit commitments	Mortgage/Rent	Utilities	Food/Travel
£100	£200	£100	£210

Quidmarket 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 increased the amount Mr R was paying towards his existing monthly credit commitments from the figure he declared to £370.

Quidmarket also made an upward adjustment to the figure Mr R declared for food and travel; it increased this figure to £300. It retained the figures Mr R declared for his rent/mortgage (£200) and utilities (£100) costs.

Deducting all of this expenditure (totaling £970) from Mr R's income, it looked like he had £1,030 disposable income per month before the lending in question was taken into account. Once the monthly repayment for the lending in question (£199.99) is also deducted from this figure, Mr R was left with £830.01.

On the face of it, it is difficult to reconcile such a significant amount of monthly disposable income – and a loan application for only £600 – especially when it came at such a high cost. However, I acknowledge that people make all sorts of decisions for all sorts of reasons. And it isn't for me to impose my own view on the merits of applying for a loan like the one in question only to then conclude that Quidmarket should have carried out more detailed checks – or otherwise refused to lend - on that basis alone.

This appears to have been Mr R's first loan with Quidmarket. As such, I don't think there was any established pattern in his borrowing needs, at least from Quidmarket, at that stage. What's more, it wasn't a particularly large loan, and the monthly repayments were not substantial in relation to what Quidmarket understood to be Mr R's income. And it was repayable over a reasonably short period of time.

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

However, once Quidmarket 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 Quidmarket lend to Mr R responsibly using the information it had?

As I've said, the information Quidmarket gathered suggested Mr R was left with £1,030 before the lending in question was taken into consideration. So, Quidmarket was satisfied that the repayments for this loan should've been affordable for Mr R on a simple pounds and pence basis and this was, in my view, a reasonable conclusion in the circumstances.

I've turned to look at the results from the credit check Quidmarket carried out. It is worth noting that it appears Quidmarket conducted two credit checks with two different credit reference agencies. I understand it did so because Mr R was linked to two separate addresses, so Quidmarket conducted a credit search under both addresses. For the purposes of this decision, I have combined the findings in both reports.

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

The results of both credit checks suggested Mr R had a total unsecured indebtedness of around £3,900 spread across a total of 16 active accounts. I don't think the level of indebtedness would, in and of itself, given Quidmarket cause for concern noting what it understood to be Mr R's income.

I note that there was default present on one of the reports, but this was applied around three and half years prior to the lending in question and it had been satisfied around 15 months prior to the lending in question. There were also some arrears markers present, but the most recent of these had been applied more than 12 months prior to the lending in question. With that being the case, I think all of this could be considered historic and Quidmarket 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 Quidmarket cause for concern.

What's more, 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 experienced difficulties making repayments. More importantly there isn't a prohibition on lending to a customer that has previously defaulted on credit or experienced such difficulties.

The credit reports did provide some indicators that Mr R *may* have been having some more recent problems managing his money. For example, it appears Mr R was utilising the vast majority (around 94%) of his revolving credit facilities. What's more, it looks like Mr R had taken out three loans which a couple of months prior to the lending in question, however two of these had been settled within a few days of their inception with no adverse information reporting.

The report did also show that Mr R had opened two mail order accounts and a current account in the preceding three months. However, all of these were carrying a zero balance at the time the lending in question was granted. In that context, I don't think this information ought to have given Quidmarket cause of concern or otherwise lead it to conclude Mr R was reliant on credit to get by.

Whilst there were some indicators Mr R *may* have been having some difficulties, Mr R appeared to be managing his accounts well. As far as I can see, as I've said, there were no recent arrears markers on his accounts and all of his accounts appeared to be being maintained within agreed limits. Furthermore, the combined monthly repayment for this debt (which Quidmarket 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 Quidmarket 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 six months, I don't think Quidmarket 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 Quidmarket made an unfair decision when it approved this loan.

Did Quidmarket act unfairly or unreasonably in some other way?

In response to the investigator's findings, Mr R has pointed to a similar complaint he brought to our service concerning a different lender which was upheld.

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, I note 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 just six months whereas in Mr R's other case the loan term was four times longer.

With that 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 understand Mr R says that his financial situation was worse than the information Quidmarket gathered at the time suggested. And I accept that a more forensic analysis of Mr R's financial situation – such as a granular review of his bank statements from the time or similar – may have revealed some of the difficulties Mr R says he was having at the time. However, for the reasons I've explained, I think Quidmarket 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. And given the size of Mr R's monthly repayments, I don't think it was unreasonable of Quidmarket to grant the loan in question with all of that being the case.

In reaching this conclusion, I've also considered whether Quidmarket 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 Quidmarket 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 Quidmarket 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 26 February 2026.

Ross Phillips
Ombudsman