

The complaint

Ms B complains that PROPEL HOLDINGS (UK) LIMITED trading as Quidmarket (“Quidmarket”) gave her loans without carrying out sufficient affordability checks.

What happened

Ms B’s borrowing can be found below.

loan number	loan amount	agreement date	repayment date	number of monthly instalments	highest repayment per loan
1	£400	08/06/2023	15/11/2023	5	£152.97
break in lending					
2	£400	29/11/2024	outstanding	5	£133.20

As of July 2025, an outstanding balance remained due on loan two.

Quidmarket reviewed the complaint and made an offer to settle it in relation to loan two only. It agreed to waive any interest and only collect the capital that was due. Quidmarket also agreed to remove the loan from the credit file. Unhappy with this offer, Ms B referred the complaint to the Financial Ombudsman.

The complaint was reviewed by an Investigator. They reviewed loan 1 because Quidmarket had already accepted loan two ought to not have been granted. The complaint about loan one wasn’t upheld.

Ms B didn’t agree with the findings about loan one – saying she had taken two other loans from another provider in May 2023, and these loans ought to have been visible on her credit file. Further checks would’ve also shown Quidmarket that her finances were worsening and she was gambling.

The Investigator explained why these comments didn’t change their mind and 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.

Quidmarket had to assess the lending to check if Ms B could afford to pay back the amounts 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 Ms 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 Quidmarket should have done more to establish that any lending was sustainable for Ms B. These factors include:

- Ms 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);
- Ms 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);
- Ms 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 Ms B. As there only two loans in two chains I don't think this applies to Ms B's complaint.

Quidmarket was required to establish whether Ms B could sustainably repay the loans – 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 Ms B was able to repay her loans sustainably. But it doesn't automatically follow that this is the case.

Loan 1

Ms B told Quidmarket that she received an income of £1,850 per month. Quidmarket didn't just rely on what Ms 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 Quidmarket, so on balance it's likely a check was conducted using one of the tools I've mentioned above. Having carried out this further check it relied on the income declared by Ms B.

In terms of outgoings, Ms B said was renting and her total monthly outgoings came to £1,310. Quidmarket then went about checking the information Ms B had provided along with conducting a credit search – which I'll come on to below. Having carried out checks into the information Ms B had provided it uplifted her monthly costs to £1,360. This left enough disposable to cover the weekly payments Ms B committed to making.

Quidmarket also carried out a credit search and it has provided the results it received. The results didn't show any types of insolvency or County Court Judgment. The active accounts had been serviced and paid as expected and there wasn't enough recent adverse data to suggest Ms B was either struggling to make her repayments or was in a vulnerable position.

There was a default but that had been reported in August 2020 – so by the time of this loan it was almost three years. Given the lack of other recent adverse payment information, it was entirely fair and reasonable for Quidmarket to place less weight on the default as an indicator of current financial difficulties.

Ms B has provided details of other loans she had taken out with another lender in May 2023. But looking at the credit report provided to Quidmarket those loans weren't listed. This means Quidmarket couldn't factor the repayments into its lending decision. The only active loan at the time was one taken in March 2023 and according to the report had been paid as expected.

Based solely on the credit check results, there wasn't anything as far as I can see that would've prompted Quidmarket to either conduct further checks or to have declined Ms B's application.

Ms B says that Quidmarket ought to have gathered her bank statements before the loan was approved – and had it done so it would've seen she was gambling. However, based on the checks that Quidmarket did do, I see no reason why it would've thought it needed to gather bank statements as the checks it did do showed the loan was affordable.

Taking account, the circumstances of Ms B's application the checks it did overall were proportionate and showed the loan was affordable and so I do not uphold it.

Loan 2

Quidmarket in the final response letter made an offer to resolve the complaint. The compensation it has agreed to pay is in line with what the Financial Ombudsman Service would've recommend it pay to Ms B if the complaint about loan 2 had been upheld.

I would add that the starting position for unaffordable lending complaints is that any interest, fees and charges should be refunded but the capital lent should also be repaid. In the case of Ms B's second loan she should only have to pay Quidmarket £400.

The redress Quidmarket has proposed does that because it is writing off the interest, fees and charges and is as far as practically possible putting Ms B back into the position she would've been in had it not lent. I consider this offer to be fair and reasonable.

I therefore see no reason to review this loan any further because Quidmarket has accepted it shouldn't have lent. But Quidmarket should do what it has already agreed to do in order to put things right for Ms B – as I've set this out below.

Overall, I've also considered whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, I'm satisfied the redress I have directed below results in fair compensation for Ms B in the circumstances of her complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

Putting things right

In line with what Quidmarket has already agreed to do, for loan two, it should.

- A. Remove all interest, fees and charges from the balance of loan two, and treat any repayments made by Ms B as though they had been repayments of the principal. If this results in Ms B having made overpayments then you should refund these overpayments with 8% simple interest* calculated on the overpayments, from the date the overpayments would have arisen, to the date the complaint is settled.
- B. If there is still an outstanding balance, then Quidmarket should try to agree an affordable repayment plan with Ms B.
- C. Remove loan two from Ms B's credit file.

*HM Revenue & Customs requires Quidmarket to deduct tax from this interest. It should give Ms B a certificate showing how much tax it has deducted, if she asks for one.

My final decision

PROPEL HOLDINGS (UK) LIMITED trading as Quidmarket has already made an offer to settle the complaint about loan two and I think this offer is fair in all the circumstances.

So, my decision is that PROPEL HOLDINGS (UK) LIMITED trading as Quidmarket should pay this settlement.

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

Robert Walker
Ombudsman