

The complaint

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

What happened

Quidmarket provided Miss M with a single loan in November 2024. The loan was for £600 and it was due to be repaid through six monthly repayments of £174.66. The total amount to be repaid by the end of the loan term, including interest, was £1,047.96. The purpose of the loan was recorded as for an 'unexpected bill'.

In September 2025, Miss M complained to Quidmarket about its decision to lend. In doing so, Miss M alleged Quidmarket did not undertake the requisite creditworthiness and affordability checks prior to granting the loan.

Later that month, 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 M.

Unhappy with this, Miss M referred her complaint to our service.

One of our investigators reviewed Miss M's complaint. The investigator issued their opinion in February 2026 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.

Miss M did not agree. In doing so, she raised a number of reasons why which, whilst I've carefully considered, I won't set out in detail here. Instead, I'll provide a summary. Miss M said the investigator's "*assessment places disproportionate weight on a snapshot affordability calculation and does not sufficiently consider sustainability, real-world living costs, vulnerability, or foreseeable financial harm*". Miss M went on to say that Quidmarket's affordability assessment failed to take into account fluctuating expenditure. In addition, Miss M shared details about her ill-health shortly after she took out the loan which resulted in a reduction in income and this, Miss M's suggests, "*undermined the sustainability of the repayment structure and highlights why reliance on a static income figure did not provide a realistic picture of affordability*".

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.

I've also had regard to the regulator's rules and guidance on responsible lending (set out in its consumer credit handbook – CONC) which lenders, such as Quidmarket, need to abide by. I won't set these out in detail here, but the Financial Ombudsman Service has set out its general approach to complaints about irresponsible and unaffordable lending on its website.

And, having taken all of this into account along with everything else I need to consider, I do not think that this complaint should be upheld. I know this will come as a disappointment to Miss M, but I'll explain why I think it is a fair outcome in the circumstances.

However, before I do, I'm aware that I've summarised this complaint above in less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Miss M 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 Miss M 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 M 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 M responsibly using the information it had?

Or

 - ii. If Quidmarket didn't carry out such checks, would appropriate checks have demonstrated that Miss M was unlikely to have been able to repay the borrowing in a sustainable way?
2. If relevant, did Miss M 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 M was applying for along with the size, length and cost of the borrowing; and

- Miss M'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 M's complaint.

Did Quidmarket carry out reasonable and proportionate checks?

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

Miss M declared she was a private tenant with a net monthly income of £4,200. Quidmarket obtained a copy of Miss M's most recent monthly payslip to verify this declaration. Having done so, it could see Miss M's net pay the month prior was about £4,193. Quidmarket relied, quite reasonably in my view, on this slightly lower figure in its affordability assessment.

Miss M declared her expenses totalled £1,700, broken down as follows:

Expense	Amount
Mortgage/rent	£1,200
Credit commitments	£300
Utilities	£50
Food and Travel	£150

Quidmarket also carried out credit checks which provided it with information about Miss M's credit history and what she was paying to service her existing credit commitments. As a result, it increased the declared expenditure towards credit commitments to £711.

Finally, I can see Quidmarket obtained a copy of Miss M most recent monthly bank statement prior to agreeing to lend.

Quidmarket made an upward adjustment to the figure Miss M declared for utilities (to £180) and food and travel (to £420). In total, Quidmarket calculated Miss M's monthly outgoings to be £2,511. So, based on the information Quidmarket obtained, it appeared Miss M had sufficient disposable income to afford the monthly repayments for the lending in question.

It wasn't a particularly large loan, and the monthly repayments were not substantial in relation to Miss M's declared (and verified) income. And it was repayable over a reasonably short period of time. Further, this appears to have been Miss M's first loan with Quidmarket. As such, I don't think there was any established pattern in her borrowing needs, at least from Quidmarket, in the early stages of the lending relationship.

With all of that being the case, 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 Miss M could afford to meet the loan repayments in a sustainable way over the term of the loan.

Did Quidmarket lend to Miss M responsibly using the information it had?

Using the information Quidmarket gathered about Miss M's income and expenditure, it looked like she had £1,682 in disposable income per month. So, Quidmarket was satisfied that the loan repayments for this loan (£174.66) should've been affordable for Miss M on a simple pounds and pence basis.

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. 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.

The loan payments being affordable on a pounds and pence basis might be an indication a consumer could sustainably make their repayments. But it doesn't automatically follow this is the case. This is because the relevant regulations define sustainable as being without undue difficulties and in particular the customer should be able to make repayments on time, while meeting other reasonable commitments; as well as without having to borrow to meet the repayments. And it follows that a lender should realise, or it ought fairly and reasonably to realise, that a borrower won't be able to make their repayments sustainably if they're unlikely to be able to make their repayments without borrowing further.

So I've turned to look at the results from the credit check Quidmarket 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 Quidmarket had been informed.

The results suggested Miss M had a total unsecured indebtedness of £7,595 – of which £3,240 was in the form of revolving credit - spread across a total of 15 active accounts.

On the face of it, Miss M's overall indebtedness relative her declared (and verified) income would not be a cause for a concern. I say this particularly noting that Miss M appeared to be managing her existing credit commitments well. In saying that, I can see that there was one arrears marker applied to a credit card account five months prior to the lending in question, but the account had since been brought back up to date.

It does, however, appear that Miss M had taken out a reasonable amount of new lending in the five months prior to the lending in question – including both loans and revolving credit. And this may be an indicator of worsening financial difficulties and/or an overreliance on credit to get by. However, I've thought carefully about all of this and, on balance, I don't think the results of the credit checks would (or ought) to have alerted Quidmarket to Miss M

having financial concerns of a sufficiently serious degree to warrant further checks or otherwise refuse to lend. I say this bearing in mind a number of factors, including the size of the lending in question, the fact Miss M did not appear to be experiencing active problems managing her existing commitments and bearing in mind what Quidmarket understood about Miss M's income and expenditure.

And putting that to one side, what's more important is that even allowing for reasonable repayments to all of Miss M's existing credit commitments – including the lending she had recently taken out – the lending in question appeared to have been affordable for her.

But even I'm wrong to suggest that this then it could be argued that the output from the credit file check ought to have prompted further enquiries. Here I turn to the bank statement which Quidmarket obtained prior to agreeing to lend. I think this would have given Quidmarket a good understanding of Miss M's overall financial circumstances.

I have reviewed the bank statement and, having done so, I note the committed expenditure (Direct Debits and Standing Orders) evident on the bank statement did not appear to suggest that the lending in question was unaffordable for Miss M. Further the bank statement suggests that there was a reasonable amount of discretionary spending. Finally, there were no other obvious indicators of financial hardship – such as returned Direct Debits or overreliance on an overdraft – present on the bank statement.

So even if Quidmarket had made more searching enquiries, I'm not persuaded it would have reached a different lending decision.

And as I think Miss M was probably left with enough disposable income to service the loan in question and leave her with a reasonable cushion once all of her regular expenditure was taken into account (including the repayment, over a reasonable period of time, of her revolving credit debt), I don't think Quidmarket acted unfairly when it approved this loan.

In response to the investigator's findings, Miss M said that Quidmarket did not properly account for, amongst other things, fluctuating grocery and household costs, unexpected expenses, legal fees (connected to an ongoing legal matter) and travel costs. Further, I understand that at some point after the lending in question was granted Miss M had to reduce her working hours due to ill-health, which resulted in a "*lower and less stable income*".

I'm sorry to hear about the difficulties Miss M has faced at the time and possibly continues to face to this day. However, I don't think this means Quidmarket made an unfair lending decision. I think Quidmarket was entitled to rely on the information it gathered as being a reasonable representation of Miss M's financial situation. And, as I can't see Quidmarket had any good reason to think Miss M's financial situation was likely to change significantly during the loan term, I don't think it had grounds to conclude that Miss M would experience difficulty making the monthly repayments as they fell due,

With that said, I accept that a more forensic analysis of Miss M's financial situation may have led Quidmarket to a different lending decision. However, for the reasons I've explained, I think Quidmarket carried out proportionate checks and it relied, reasonably in my view, on the information it gathered. And given the size of Miss M'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.

Did Quidmarket act unfairly or unreasonably in some other way?

I've also considered whether Quidmarket acted unfairly or unreasonably in some other way given what Miss M 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 M 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.

Whilst I recognise this will be disappointing for Miss M, 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 do not uphold Miss M's complaint about PROPEL HOLDINGS (UK) LIMITED trading as Quidmarket.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 30 April 2026.

Ross Phillips
Ombudsman