

## **The complaint**

Mr W complains about the way that Capquest Debt Recovery Limited (Capquest) managed the collection of a debt in his name.

## **What happened**

Mr W originally owed money to a business I will refer to as V. In late June 2023, V sold the outstanding debt to a third party (debt owner), which then appointed Capquest to manage collection on its' behalf. Capquest in turn appointed a business I will refer to as N, to service the account on its' behalf. On 28 July 2023, Capquest wrote to Mr W to tell him about the change and asked him to contact N about payment as although he had a repayment plan in place, Mr W wasn't making payments by direct debit.

Mr W complained that Capquest had delayed giving him details about how to make payments going forwards. He thought this should have happened as soon as the debt owner bought the debt – not a month later.

Mr W was unhappy that as Capquest said he should contact N and he had so little time to do so before making his next payment, he would have had ring N despite asking for all communication to be in writing. Mr W also thought it was unfair for Capquest to assume that he had access to the internet to be able to manage his account online.

After Capquest responded to his complaint, Mr W was unhappy about the following aspects:

- Capquest didn't respond to every point he raised in his complaint
- Capquest failed to explain why it delayed notifying him that the debt owner had bought his account which in turn meant he wasn't given adequate notice before his next payment was due
- The monthly payment increased without warning
- Capquest refused to supply certain pieces of information, directing him instead to make a subject access request (SAR)

In response to the complaint points that Mr W raised, our investigator said:

- He could understand Mr W's concern about the delay between V selling the debt and Capquest sending the notice of assignment, which meant there was little time to make the monthly payment to N. But our investigator noted that N contacted Mr W with the payment details on 2 August 2023 and Capquest had already explained that any payments Mr W made to V after the end of June 2023 would be forwarded to Capquest.
- Mr W only wanted Capquest to supply information that V had sent about him, so he'd not made a full SAR. By following its full SAR process, Capquest delayed matters when it requested verification before proceeding with his request. Our investigator

said that Capquest had not explained why it took this step.

- Capquest had not explained to him why the monthly minimum payment increased from £1 to £2.
- It was not unreasonable for Capquest to ask Mr W to supply information about his personal circumstances, even though V might already have this, as the previously held information may be out of date
- Capquest confirmed to Mr W by letter of 27 September 2023 that it was aware he wanted all contact to be in writing. And the notice of assignment explained that Mr W would need to contact N about the payments.

Our investigator upheld Mr W's complaint but didn't agree it had behaved unreasonably on all the points he had raised. Our investigator asked Capquest to pay £100 compensation and explain why the minimum monthly payment had increased to £2.

After Capquest received the investigation outcome, it responded to some queries that our investigator had raised in late 2023. Capquest said that Mr W made payments via BACS and no repayment plan was agreed. Capquest said that the £1 payments made in July and August 2023 were forwarded to N in August 2023, which resulted in a new payment of £2 going forwards. Capquest suggested that if there had been a formal arrangement in place to pay £1 each month, this would not have happened.

Capquest thought that as Mr W asked for all information provided by V, this would fall under a SAR in line with the advice on its website.

Our investigator told Capquest that his view remained the same. He thought the payment increase to £2 was unfair and not clearly explained. Our investigator also thought that Mr W had not asked for all the information that Capquest held on him – just the information that V had supplied.

Mr W doesn't accept Capquest's explanation about the payment increase and was concerned that our investigator seemed to have accepted it. Mr W wanted this to be pointed out to the ombudsman.

### **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 realise that I have summarised this complaint in less detail than the parties and I have done so using my own words. The rules that govern our service allow me to take this approach. But this does not mean I have not considered everything the parties have given to us.

Like our investigator, I think that Capquest could have handled some things better than it did. This failure led to a degree of upset and inconvenience for Mr W. I also agree that, in relation to some of the concerns raised, Capquest did not act unreasonably.

I understand Mr W's frustration with Capquest's explanation of why the monthly instalment amount/minimum payment due, increased from £1 to £2. I don't think our investigator accepted the explanation he was given either as he told Capquest he found the increase arbitrary, unfair, and not clearly explained. This is part of the reason why our investigator upheld Mr W's complaint.

I agree that it was not Mr W's fault that Capquest forwarded two payments together – if this is indeed what led to the £1 increase in the following month's payment. But Capquest said in its final response that N received a payment of £1 in September 2023. So, it doesn't look as though Mr W ended up paying more than he should have.

On the question of the SAR – I understand Mr W's frustration with the process as he was not asking Capquest to supply all the personal information it held about him – only the information that it had been given by V. However, the ICO's website suggests that when making a SAR you should say "what personal information you want (be specific about the information you're asking for, and where relevant say what information you don't need)". So, the fact that Mr W only asked for copies of the information V had supplied to Capquest, does not mean his request should not have been treated as a SAR. If Mr W has not received this information yet, I suggest that he follow the process set out by Capquest in its response to his SAR.

I should also say that from looking at the complaint that Mr W made to our service about V, V explained that it didn't share some information with Capquest due to the complexities with sharing personal and sensitive data with third parties. V also relied on Capquest gathering information about Mr W's financial circumstances, rather than supplying the income and expenditure information it had already obtained. I say this to help manage Mr W's expectations about the level of information which V may have shared with Capquest.

Overall, I think £100 compensation fairly reflects the upset and inconvenience caused to Mr W by the way that Capquest has managed his account.

### **My final decision**

My final decision is that I uphold this complaint. In full and final settlement, I require Capquest Debt Recovery Limited to pay Mr W £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 18 September 2024.

Gemma Bowen  
**Ombudsman**