

The complaint

Mr L complains Capquest Debt Recovery Limited should be held responsible for the mis-sale of his loan, which they are currently servicing.

What happened

Mr L explained he took out a loan and payment protection insurance (PPI) with a company I'll refer to as E, and says the loan was irresponsibly lent – as he couldn't afford it when it was granted to him. The loan was taken out in 2002 and the account was sold on to several different parties in the years that followed.

After several complaints to the various parties Mr L was told Capquest was responsible for this now, he asked us to look into things.

We set this case up against Capquest as the entity responsible for servicing the account at one point. But, after investigation, one of our Investigators decided Capquest weren't responsible for the issues Mr L was raising. He named another party in his outcome as potentially being responsible.

Given the issues Mr L has had trying to track down the correct party, he asked for an Ombudsman's decision for absolute certainty. So, the complaint's been passed to me to decide.

I can see our Investigator has explained who he thinks is responsible for answering Mr L's complaint and provided Mr L with the relevant contact details.

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.

Let me start by saying I can see this issue has had a significant impact on Mr L's life, and I was genuinely sorry to read how this has affected him. I can also see he's been round the houses trying to make a complaint to the responsible party. So, I completely understand why he's asked for an Ombudsman to consider this matter.

I did need to make it clear to him though, that I can only look at whether I think Capquest have handled things fairly – that includes whether they're responsible for the issues Mr L is raising.

Capquest have explained they serviced the account from 10 May 2011, and then the owner sold the account on 18 March 2013.

I've got no other evidence to suggest any involvement by Capquest. I'd also add they're a debt servicer – this means they don't generally own accounts.

In Mr L's case, his loan appears to have been sold to the company our Investigator mentioned – I'll call them B as I can't name them in this published decision. All of the evidence we have shows B are, or at the very least were, responsible for Mr L's account.

I'm aware Mr L was able to have his PPI claim considered by another company – so doesn't understand why that same company isn't responsible for this complaint.

In short – it's because when E sold their accounts, different entities took on different responsibilities. With the PPI claims, that went to the company who since investigated and paid out on his complaint.

With the loan accounts they were separated out into two different companies – one of which is the company our Investigator has suggested is now responsible. At the very least, if B are no longer responsible for the loan, I'd hope they'll be able to explain who they sold it on to.

But, bringing this complaint back to Capquest, they're a debt servicer and although were involved in Mr L's loan at one point aren't responsible for addressing anything to do with the sale of the loan – or the relationship of it.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 1 April 2025.

Jon Pearce
Ombudsman