

The complaint

Mr Q complains Capquest Debt Recovery Limited sent him a letter saying they owned a debt in his name which was unsolicited. Mr Q's unhappy Capquest didn't provide the credit agreement and other documents when first contacting him.

What happened

From the information I have it seems the original letter in question was a Notice of Assignment (NOA) dated 29 November 2023.

Upon receipt Mr Q raised a complaint saying he didn't know anything about this debt. He said Capquest should have sent him a copy of the credit agreement, statements, default notice and other documents when first getting in touch. He was also unhappy at Capquest using his personal details. – and he said the account was statute barred.

Capquest said when sending a NOA there isn't any requirement for them to include a copy of the credit agreement or the other documents Mr Q had mentioned. And they said having bought the account they had a legitimate interest in holding and processing his data. So, they didn't think they'd done anything wrong on these points – but had marked the account as statute barred so Mr Q wouldn't hear from them again on this account.

Unhappy with this Mr Q asked us to look into things – focusing his complaint form on the receipt of the letter and lack of supporting documents.

One of our Investigators did so, but overall found Capquest hadn't treated Mr Q unfairly, so didn't think they needed to do anymore.

Mr Q didn't accept this, saying:

- A debt can't be assigned without the information required under Section 77-79 of the Consumer Credit Act 1974 (s77-79).
- There is no paperwork (so – I presume Mr Q suggests the debt shouldn't have been sold on).
- He received demands after the debt was accepted as statute barred.
- He felt the NOAs from previous sales should also be provided for the 'chain' of sales to legitimately mean Capquest can service the debt.

Our Investigator provided the NOAs to Mr Q while the case was waiting to be allocated to an Ombudsman. She also asked Mr Q to provide copies of the letters and anything else he wanted us to consider. Since providing the NOAs on 1 August 2025, we've not heard further from Mr Q, so the case has now been passed to me to decide.

I'm aware during the complaint Mr Q has also referred to issues regarding his wife – but this complaint only addresses his concerns. I've also seen Mr Q mention how long Capquest took to answer his complaint, but this is about complaint handling which isn't on its own in jurisdiction – so I won't comment on that point further either.

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 think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

Assignment of the debt

Mr Q has suggested a debt can't be legally assigned without the documents mentioned in s77-79.

I've read through s77-79, and these sections talk about the information a creditor is required to provide a debtor when asked. They don't talk about assignment as far as I can see. But, even if I'm wrong, my role is to decide things on a fair and reasonable basis. The Financial Conduct Authority (FCA) are the financial services regulator. In the Consumer Credit Sourcebook (CONC) they set out what is required for an assignment to be effective. CONC 6.5.2 says:

(1) Where rights of a lender under a regulated credit agreement are assigned to a firm, that firm must arrange for notice of the assignment to be given to the customer:

(a) as soon as reasonably possible; or

(b) if, after the assignment, the arrangements for servicing the credit under the agreement do not change as far as the customer is concerned, on or before the first occasion they do.[Note: section 82A of CCA]

(2) Paragraph (1) does not apply to an agreement secured on land.

(3) A firm may assign the rights of a lender under a regulated credit agreement to a third party only if:

(a) the third party is a firm; or

(b) where the third party does not require authorisation, the firm has an agreement with the third party which requires the third party to arrange for a notice of assignment in accordance with (1).

It seems likely to me if providing the documents mentioned in s77-79 were an explicit requirement then the FCA would set this out when explaining the NOA process – but they don't.

So, I'm satisfied Capquest have acted fairly when they sent the NOA to Mr Q by not including the documents he says they should. Typically, debt companies such as Capquest would need to get these from the original lender. As Mr Q knows, Capquest have said it's unlikely they'd be able to get the credit agreements due to the age of them, and they've noted Mr Q's comments about the debt being statute barred – so they've marked it as such and he won't be contacted again.

Did Capquest act fairly in believing this Mr Q was the correct party

Mr Q says he doesn't recognise the debt, and it's not ok for Capquest to just assume the debt was his.

Capquest say they were given Mr Q's address by the previous owner, and his details were confirmed through a credit reference agency (CRA) check as well.

Capquest have shown our service the older NOAs were addressed to Mr Q at his current address – these have been provided to Mr Q. So, at face value, I don't think it's wrong for Capquest to think it's likely this debt did belong to this Mr Q at his current address.

Holding Mr Q's data

Mr Q says Capquest shouldn't be holding his data because they have no legitimate reason to do so.

Capquest say they have a legitimate reason to contact Mr Q – because they believe the debt is his – so don't think they've done anything wrong.

I've already found Capquest had a reasonable belief the account belonged to Mr Q – so, in that context I don't think they've done anything wrong in holding his data. I'd also point out to Mr Q that Capquest have marked this account as statute barred. Without holding his data, I'm unsure how they could do this, and it's possible he'd be contacted by other parties about the account.

Additional correspondence after the account was confirmed as statute barred

Following our Investigator saying she couldn't see Capquest had written to Mr Q asking for payment during the extended complaint process – Mr Q has said he received two further demands.

It's not entirely clear if these two letters were received by Mr Q before the complaint, after the complaint, or whether they relate to this account. I say that because there isn't any evidence in Capquest's file about them.

Our Investigator did ask Mr Q to submit any further evidence he wanted considered before the outcome was reached – and he's not done so. Because of that, in the absence of any more information on this point, I can't find Capquest have done anything wrong.

My final decision

Taking everything into account, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 8 October 2025.

Jon Pearce
Ombudsman