

## **The complaint**

Mr S complains Capquest Debt Recovery Limited have delayed providing documents to prove the debt they're asking him to pay.

A representative has supported Mr S when bringing this complaint, but for simplicity I'll just refer to him in this decision.

## **What happened**

As I understand it a credit card account in Mr S' name was opened with a company I'll refer to as V. The information I have says the account was opened in January 2018 and defaulted in August 2022. The account has been passed through a number of different parties, but at this point Capquest are the debt servicer responsible for the account.

Mr S complained to Capquest when they asked him to repay this debt, showing them the debt was marked as settled on his credit report with the credit reference agencies (CRAs). He asked for documents to support Capquest's claim an amount was outstanding and wasn't happy with the time taken to provide any documents to support this.

Mr S has shared some details about his health and I thank him for doing so. I won't go into detail in this decision for his privacy, as this decision will be published on our website. But, I wanted Mr S to know I've read and taken his health into account when reaching my outcome.

Capquest said they'd reached out to the original creditor for further information and the documents – but hadn't received a reply. Capquest added they'd never marked the account as settled with the CRAs – and when they purchased the account it showed there was an outstanding balance. Overall, Capquest didn't think they'd done anything wrong.

Unhappy with this, Mr S asked us to look into things. As part of our standard process, we asked Capquest for their file. In providing it, they said they'd asked Mr S for proof the debt had been settled. And although Mr S said it was Capquest who had to provide proof it was outstanding, they didn't think given the complaint it was unreasonable for them to ask for this.

Ultimately one of our Investigators found Capquest hadn't done anything wrong, so didn't uphold the complaint.

Mr S didn't accept the outcome, so the complaint's been passed to me to decide.

## **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.

I'm aware Mr S has said his complaint is solely about delays – but he has raised some other points I think it's key for me to address to provide a complete answer.

As a starting point I think it's helpful to explain I wouldn't expect Capquest to have held all of the documents Mr S asked them to provide to prove he owed the debt. Typically, in situations where someone asks for these documents, I'd expect the debt company to need to contact the original creditor to request them. This often leads to delays, because the debt company is reliant on the original creditor in replying. In general terms, as long as Capquest have made the request, and followed it up when appropriate, then I'd say they've treated Mr S fairly.

In addition, when debt companies buy accounts, it's expected the account is free from any disputes. A debt company isn't responsible for the account sale; the previous owner is – so if there is a dispute, it follows the debt company isn't responsible for taking on an account with a dispute. What that means is in general terms, it's not unreasonable for Capquest to think Mr S did owe the money on the account, so it's not unreasonable for them to then contact him asking for repayment.

But Capquest are required to engage with any contact that suggests there is an issue about the amount outstanding, and they are required to attempt to get proof of debt ownership if challenged.

Mr S has said the debt is recorded as satisfied with the CRAs and he recalls receiving a letter confirming this. But, due to significant personal hardship he can't find the letter at the moment.

I don't think it's unreasonable for Capquest to ask for a copy of this letter to show the debt has been settled. As I've explained above, debts are sold in good faith that there is an outstanding balance – but of course sometimes things go wrong. So, when someone says a debt is settled it doesn't seem unreasonable for Capquest to have asked for proof of this.

I'm sorry to hear Mr S can't find this letter. But, without it, I do think it's reasonable for Capquest to carry out further investigations.

I realise Mr S says the account showing as settled with the CRAs is proof it's no longer owed – but I can't agree with this. I accept the CRA does show the account as settled, but importantly this is recorded by a previous owner.

When a debt is transferred from one party to another, the previous owner will typically mark the account as showing no further money is owed – because it's no longer owed to them, it's now owed to the new owner.

I don't think this explanation if shared with Mr S would have resolved his concerns though. I say that because Mr S is adamant the account was settled and he had a letter to confirm this.

In terms of the time taken to provide the documents I'm pleased to see these have now been shared with Mr S.

I realise the length of time taken to provide these documents has been very frustrating, disruptive, and has impacted his health.

But, as I've said above, Capquest can't control how quickly V provided these documents to them. They can only put forward the request and chase them where appropriate. I've not seen anything to suggest Capquest have unreasonably delayed things in Mr S' case.

In the context of asking Mr S to repay the debt, Capquest have provided some notes which start from September 2022 and finish July 2024. In September 2023 there is a note to say Mr S was making payments of £50 a month as had been previously agreed – but he'd contacted the servicer at the time as missed payments were being recorded. The missed payment markers were removed from the CRAs, but from Capquest's perspective this could reasonably suggest Mr S was aware of the debt and thought it was owed.

I understand Mr S' testimony is that any payments made were made in error due to his circumstances. But I'm assessing Capquest's actions and, taking everything into account, I'm satisfied they're reasonably asking Mr S to repay this debt.

In summary then I don't think it was unreasonable of Capquest to ask Mr S for a copy of the letter saying the account had been settled. I've not seen anything to suggest they've unreasonably delayed getting Mr S the information about the account. And I think Capquest have enough information to reasonably believe there is an outstanding balance on the account which Mr S owes.

Following this decision Capquest may ask Mr S for repayment of the outstanding balance. If they do so, I'd remind them they're required to take into account all of Mr S' circumstances and not ask him to repay more than he can afford.

### **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 S to accept or reject my decision before 25 February 2026.

Jon Pearce  
**Ombudsman**