

complaint

Mrs T complains that Capquest Debt Recovery Limited chased her for a debt which isn't hers. She wants compensation.

background

Mrs T says an account was fraudulently opened in her name with a third party. This debt was later sold on to Capquest. In 2012 Mrs T told Capquest that she had never had an account with the third party. However, this issue was only resolved in 2014. Mrs T wants compensation for distress and inconvenience and also her expenses in trying to resolve this issue.

The adjudicator upheld the complaint and recommended that Capquest pay her £200 compensation for distress and inconvenience. She felt it could have acted quicker.

Capquest closed the account, apologised and removed the default and agreed to pay £100 compensation but no more. When it bought the account it had no idea there was any fraud.

Mrs T did not accept this offer; she is prepared to accept £200 and her expenses which are £30 and also £105.90 for credit searches.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, I am upholding this complaint.

Mrs T told Capquest that the debt was not hers and she had never had an account with the third party, back in November 2012. However, her credit file was not finally amended until September 2014, three months after it issued its final response. Although Capquest was not aware of the fraud when it bought the debt, it could have acted far sooner. I do not accept that Capquest was only aware of the fraud in March 2014 as it got the letter from Mrs T in 2012 telling it the debt was not hers. It also delayed in removing the default from her credit file. The default was only removed three months after the final response. Mrs T has suffered distress and inconvenience for a considerable period of time. In the circumstances it is fair and reasonable for Capquest to pay Mrs T compensation for distress and inconvenience caused by its delay. It is also fair that it compensates her for her postage, calls and costs of certifying documents and for the credit searches she had to do.

my final decision

My final decision is that I uphold this complaint and direct that Capquest Debt Recovery Limited should pay Mrs T:

1. £200 compensation for distress and inconvenience.
2. £105.90 credit report costs.
3. £30 expenses.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs T to accept or reject my decision before 5 March 2015.

Clare Hockney
ombudsman