

## **complaint**

Miss W complains that Capquest Debt Recovery Limited has caused her to be wrongly chased for debts belonging to someone else.

## **background**

Miss W says that, for around five years, she has been chased for debts that relate to another person with the same date of birth and a similar name. She says that this happened because Capquest incorrectly linked her address with the name of the debtor.

Miss W says that the upset and distress caused to her by this has been significant, and that it has also affected her ability to obtain credit and increased her car insurance costs.

Capquest offered to pay Miss W £200 in settlement of her complaint, but Miss W did not feel that went far enough. As matters were not resolved, Miss W brought her complaint to this service where an adjudicator investigated it.

From the evidence, the adjudicator was satisfied that Capquest had incorrectly linked Miss W's address to the debtor. Once the problem had been recognised, Capquest had repeatedly failed to put things right in spite of assuring Miss W that it had done so. Whilst Capquest had since provided its assurance that everything had now been put right, the adjudicator accepted that all this had caused Miss W substantial distress and anxiety – as well as having some financial consequences for her.

Overall, the adjudicator recommended that Capquest should pay Miss W £1,000 in respect of trouble and upset. The adjudicator also asked for additional evidence from Miss W's car insurer, and said that consideration would be given to whether Capquest should meet some or all of the increase in the insurance premium.

Capquest did not agree with the adjudicator's recommendations and said, in summary:

- It accepts there have been several service failings due to its incorrect tracing. The account was also passed out to external agencies and this resulted in attempts to discuss the debt.
- It is sorry for the distress caused to Miss W, and did not intend this to happen. But it considers the recommended payment of £1,000 to be too high and disproportionate in this case.
- It would have carried out a full investigation if Miss W had contacted it direct, but it heard from her representative who seemed to be claiming a larger amount.
- It has not seen evidence of Miss W being turned down for credit solely because of its link.
- The default will be removed as soon as its current tape ends. It has also updated its system to ensure that the full name is now always checked and emphasising that Miss W's address should not be used. It has therefore done everything possible to ensure that it does not make the same mistake again.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

It is not in dispute that Capquest made a mistake. The effect of that mistake is that Miss W has been the subject of recovery attempts by various different companies over an extended period of time.

The problems seem to have been aggravated by Capquest's inability to put things right. It is not clear to me why Capquest did not fully investigate matters when Miss W's representative contacted it on her behalf – it was under a duty properly to investigate the complaint, irrespective of whether or not Miss W chose to bring it through a representative.

We have received further information from Capquest, who have told us that they believe they have now taken all the necessary steps to remove the incorrect links and adverse credit information and to prevent them making the same mistake again in the future.

Miss W has received further recovery letters in the interim and, not unreasonably, remains sceptical that Capquest has sorted things out properly. I am satisfied that she is still very anxious about whether she will continue to be chased for debts in the future.

Looking at the matter overall, I find that the adjudicator's recommendation – which took account of what was fair and reasonable in all the circumstances – is fair and proportionate in this particular case.

The insurance company has explained that it cannot say for sure exactly what effect the problems had on the premium. There were other variables and changes that also contributed to the price of the premium.

So, whilst I accept that the adverse credit information will have had some effect on the premium, I do not consider that the evidence is sufficient to support an additional award in respect of the increased insurance premium.

Finally, I would stress to Capquest the importance of ensuring that all the necessary amendments that have been promised are now properly carried out, so that Miss W does not suffer further trouble and upset from this matter in the future. My award is designed to address trouble and upset suffered to date, and assumes that matters have been put right going forward.

## **my final decision**

My final decision is that I uphold this complaint and I direct Capquest Debt Recovery Limited to pay Miss W £1,000.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 5 February 2016.

Jane Hingston  
**ombudsman**