

## **complaint**

Mr J says Capital One (Europe) plc sold a debt he owes them to a collections company. Mr J says Capital One didn't act correctly or fairly when it sold his debt. And he wants Capital One to recall his debt and write it off.

## **background**

Mr J took out a credit card with Capital One in November 2003.

In December 2009 he says he had a debt of nearly £5000 on the card which he told Capital One he couldn't pay.

Mr J says Capital One passed the debt to a debt management company A and he agreed with them that he'd pay it back in small amounts. He made these small payments until February 2014. Then he says, as he hadn't heard from anyone, he assumed the debt had been written off and stopped the payments.

Mr J says he was contacted by a debt collecting agency B in November 2014 asking for about £3000. He says he can't afford to pay this. Mr J says Capital One had no right to sell his debt to B and that it was unfair that it did so. And he wants Capital One to recall the debt and write it off.

Capital One says that when Mr J couldn't make repayments in 2009, it used A to manage his debt and work out a plan to repay it. A did this and Mr J made small payments for a while but then stopped making them in February 2014. Capital One says it then sold the debt to B and Mr J owes the money to B.

Our adjudicator didn't uphold Mr J's complaint so he has asked for an ombudsman to look at it.

## my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr J has made detailed arguments about how wrongly he believes Capital One has acted. And he has made particular mention of the Consumer Credit Act. I've looked at this carefully, and I know this will be disappointing for Mr J but I'm unable to uphold his complaint for the following reasons.

The core of Mr J's complaint is about whether Capital One was *allowed* to sell a debt to a third party. In my view it's clear from the terms and conditions of the credit card that Capital One was certainly allowed to do so. And I think it would be helpful to Mr J to explain that this happens in thousands of cases every year with Capital One and other lenders.

Mr J has also commented on whether it was *fair* for Capital One to sell on the debt.

I agree with our adjudicator that there appears to have been only occasional communication from Capital One or A while Mr J was making his small repayments arranged through A.

But I don't think it was right for Mr J to just stop making payments when he would've been aware there was still a substantial debt.

In my view Capital One was entitled to make a commercial decision to sell the debt on to B in such circumstances. And from the evidence I think Capital One made reasonable efforts to communicate with Mr J about what it was doing at the time.

The amount of the debt Capital One sold to B, that is, £3002.47, appears to be correct from the statements it has provided. I say this because Capital One put the account in default in February 2010 and added no interest after that. All Mr J's payments up to February 2014 have been deducted from the balance. And £3002.47 is the amount B wrote to Mr J about in their letter of assignment in October 2014.

I can see that Mr J has raised a separate complaint with us about B and so I won't comment about B's actions.

But overall, I can't see that Capital One has done anything wrong in this case.

It follows that I can't uphold Mr J's complaint.

### **my final decision**

My final decision is that I don't uphold Mr J's complaint against Capital One (Europe) Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr J to accept or reject my decision before 15 October 2015.

Richard Hill  
**ombudsman**