

## **complaint**

Mrs O complains that Capquest Debt Recovery Limited contacted her regarding a debt which doesn't belong to her.

## **background**

Mrs O is represented in her complaint by her husband Mr O. To make my decision as straightforward as possible, I will be referring to steps having been taken by Mrs O even though I realise that sometimes it will have been Mr O taking these on behalf of Mrs O.

In 2011 a catalogue shopping account with limited company S was opened in the name of Mrs O using an address that she'd recently left.

After Capquest purchased the outstanding debt on the account, it wrote to Mrs O at her new address in September 2013. Mrs O told Capquest that the debt didn't belong to her and that she'd already involved the police.

Mrs O says that she supplied Capquest with further information but it doesn't have a record of receiving this. Although Capquest paused its collection activity for a period of time, it was later restarted.

Mrs O raised a dispute about the outstanding debt with one of the credit reference agencies in 2015. But in 2017, Capquest passed the debt to D, a firm of solicitors. Despite Mrs O telling D that she hadn't opened the account with S, it doesn't appear that Capquest followed this up again with Mrs O.

Before this service became involved, Capquest agreed that there had been some communication problems between it and D. Capquest first offered to pay Mrs O £75, later increasing the offer to £125.

The investigator recommended that Mrs O's complaint be upheld. The investigator was persuaded that Mrs O didn't open the account with S.

The investigator didn't think that £125 was adequate compensation. The investigator recommended that Capquest increase the offer by £275.

Since this service became involved Mrs O was able to provide Capquest with a letter from the council. This letter confirmed the date on which Mrs O had left the address used to open the account with S. As a result, Capquest now agrees that Mrs O wasn't S's customer.

Capquest says that if Mrs O had given it this evidence earlier the dispute would have been resolved much sooner. So Capquest doesn't agree that it should pay Mrs O £400.

Mrs O doesn't think the investigator's recommendation to pay £400 is fair. She wants Capquest to pay her nearer £10,000. Mrs O points to the many times that she tried to resolve the issue with Capquest and D. Mr O also thinks that Capquest is responsible for his ill health.

## **my findings**

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

Capquest now agrees that Mrs O didn't open the account with S. As it seems to me that this aspect of Mrs O's complaint is no longer in dispute, I don't intend saying more about it.

The issue that remains in dispute is about the level of compensation that the investigator recommended. Capquest thinks that it's too high and Mrs O doesn't think that it's high enough.

Even before Capquest wrote to Mrs O in 2013, she'd made various companies and the police aware of potentially fraudulent activity involving her old address. So when Capquest told Mrs O that it had purchased the debt, she was already frustrated with the situation, having previously told S that the debt didn't belong to her.

Capquest thinks that if Mrs O had just supplied the information she's now been able to give, it could have resolved the matter more quickly. But I'm not persuaded that Capquest adequately explained to Mrs O what information it needed to see as part of its fraud investigation.

Even as late as January 2019, Capquest was asking for evidence that Mrs O couldn't give as she had been living with family members when the account with S was opened. This meant Mrs O didn't have documents such as a tenancy agreement or utility bills in her own name. So I consider that Capquest missed a number of opportunities to better explore with Mrs O what information she was able to provide to prove that she wasn't living at the address at the time that someone else opened the account with S.

On and off over a period of six years Capquest and then D contacted Mrs O about the debt. I agree with the investigator that £125 doesn't adequately reflect the upset that this prolonged activity will have caused to Mrs O.

I fully understand why Mrs O would like Capquest to pay her substantially more compensation than the £400 the investigator has recommended. Mrs O says she and her husband felt harassed and threatened and that this affected Mr O's health.

I don't mean to downplay the upset and hurt that both Mr and Mrs O have felt but under the rules that govern this service I can only compensate Mrs O for the loss that she's suffered. So I can't make any award to Mr O for the upset or frustration that he's suffered trying to sort matters out. Or for the impact that resolving the problem has had upon Mr O's own health.

I also take account of the fact that although it took a number of years for Capquest to acknowledge the mistake; there were periods of time when the account was placed on hold. So Mrs O wasn't continually being asked for payment over the entire six years.

Overall, I consider the investigator's recommendation to pay Mrs O a total of £400 is fair and reasonable. I'm sorry if this comes as a disappointment to Mrs O.

### **my final decision**

My decision is that I uphold this complaint. In full and final settlement, I require Capquest Debt Recovery Limited to:

- pay Mrs O a total of £400 compensation;
- if it hasn't already done so, remove any reference to the debt from Mrs O's credit file; and
- direct D to remove any information about the debt from Mrs O's credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 27 May 2020.

Gemma Bowen  
**ombudsman**