

The complaint

Mr R complains that Cabot Credit Management Group Limited is asking him to pay a debt which it can't provide evidence that he owes or any details about it. Mr R is represented by his Solicitor I will call "F".

What happened

Mr R says Cabot is asking him to repay a debt it bought from another business. He says Cabot can't give him evidence about the original agreement or how much is owed if anything. Mr R would like the debt written off and compensation for what's taken place. He says the debt is unenforceable without the information he has asked for.

Cabot says it bought the debt in 2017 and sent Mr R a Notice of Assignment. It says Mr R was making regular payments towards the debt but accepts it can't provide the information F has asked for on Mr R's behalf. Cabot accepts the debt may not be enforceable in court but says it's entitled to ask Mr R to repay it.

Mr R brought his complaint to us but our investigator didn't uphold it. The investigator thought Cabot had sent the Notice of Assignment to Mr R and thought it was for a court not us, to decide if a debt was unenforceable. The investigator didn't think Cabot had acted unfairly and so didn't think it should pay compensation.

F, on behalf of Mr R, says Cabot has provided limited information about the debt and can't provide proof any agreement exists.

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. Having done so, I have come to a similar overall view as the investigator.

I'm satisfied that Cabot has provided evidence that it bought the debt and I can see that it wrote to Mr R in 2017. And gave him the Notice of assignment. I can also see that the business it bought the debt from, also told Mr R that it was selling the debt and that Mr R continued to make monthly repayments after the sale. So I'm satisfied Cabot didn't act unfairly or make a mistake by asking Mr R to continue making payments and I think it likely Mr R knew about the debt and knew he owed money as he made those repayments.

The issue F raises is about the enforceability of the debt. I can see that Cabot accepts it can't provide the evidence about the debt F would like and accepts it may not be able to enforce the debt. But I'm satisfied it would be for a court to decide if the debt is enforceable

and not us.

Overall I'm satisfied Cabot is entitled to ask Mr R, has it has done, to repay the debt. I don't think its actions were unfair, and so I can't fairly order it to pay the compensation Mr R would like or order it to write off the debt. I'm satisfied this brings an end to what we, in trying to sort out this dispute informally, can do to help Mr R.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 July 2020.

David Singh
Ombudsman