

## **The complaint**

Mr A's unhappy Cabot Credit Management Group Limited are asking him to repay a debt he says is unenforceable. This debt relates to two credit cards.

A representative has brought this complaint on behalf of Mr A, but for simplicity I'll just refer to him in this decision.

## **What happened**

I issued a provisional decision in August 2020, setting out what happened in the complaint, and my thoughts on those issues.

*Mr A complains that:*

- *a debt Cabot say he has with them is unenforceable because Cabot can't provide the original agreement, and because of this they can't prove it's a legitimate debt*
- *they've added charges to his account and should not have done so*
- *they've been aggressive in their pursuit of the debt in an attempt to unfairly pressurise him into paying it*
- *they've not proven that the amount is accurate*

*Cabot responded to the complaint. They said they'd told Mr A in error they'd complied with all the information he'd asked for – and actually his debt wasn't enforceable. But that doesn't mean Mr A isn't responsible for the debt, and it doesn't mean he doesn't have to pay it back. They said they didn't agree they'd unfairly pressured Mr A to repay the debt, saying they had only asked for payments informally. And they've nothing to show they'd acted aggressively in asking Mr A for repayment. They said sorry for previously saying they'd complied with Mr A's request and awarded him £50 for this.*

*One of our investigators considered it and explained we can't decide whether a debt is legally enforceable or not – but we can look at whether it's reasonable for Cabot to have asked Mr A to repay the debt. And she felt it was.*

*Mr A replied and said he didn't agree with this. He said given the limited information available it didn't seem right to ask him to repay a debt where it couldn't be proven to exist under a credit agreement. He also felt it unfair because he didn't know if the balance came about correctly, or what the current balance should be. Because of this, the complaint's been passed to me to decide.*

## **What I've provisionally 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.*

The debt is unenforceable

*As our investigator explained it's not our role to determine whether a debt is legally enforceable or not – that's a matter for the court to decide. But using our fair and reasonable remit I can consider whether Cabot have acted fairly in expecting Mr A to repay the debt.*

*Cabot have demonstrated in their evidence that Mr A was making payments towards the outstanding debt in 2017 and 2018. In total, it seems as though he paid nearly £500. Mr A also hasn't disputed the debt is his.*

*So, I don't think it's unfair for Cabot to ask Mr A to repay the debt – since it seems all parties agree the debt is his. And I note Cabot paid Mr A £50 in recognition of their error telling him the debt was enforceable – which I think is reasonable.*

Charges have been added

*Mr A has argued charges have been added to the account – but he hasn't been specific in this argument.*

*I've looked at the balance of the account when Cabot took it over, the payments Mr A has made, and the current outstanding balance. This all appears to be accurate – with no evidence of interest or charges being applied to the account. So, I've not seen anything to suggest Cabot have applied charges as Mr A has claimed.*

Whether the amount of the debt is correct

*The amount of the debt is set out in the Notices of Assignment when the debt was purchased by Cabot. I've not been provided with any specific arguments as to why the balance is incorrect.*

*And as I've noted above, the balance has only changed as a result of Mr A's payments – so I can't reasonably say Cabot have done anything wrong. If Mr A continues to feel there is an issue with how the balance was formed, he may wish to discuss this with his lender.*

Cabot have been aggressive in their pursuit of the debt

*Mr A's not given any specific examples, so I've had a look at all the correspondence he's been sent.*

*Every letter I've seen from Cabot is asking Mr A to get in touch with them, so they can help him repay the debt. I've not seen anything to suggest they've acted aggressively in doing so – and as I've mentioned above, I don't think it's unfair of Cabot to ask Mr A to repay his own debt.*

### **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.

As neither party replied to my provisional decision, I've seen no reason to change the outcome I've reached.

### **My final decision**

For the reasons I've explained above I don't uphold Mr A's complaints.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or

reject my decision before 18 September 2020.

Jon Pearce  
**Ombudsman**