

The complaint

Mr M complains that Cabot has failed to provide proof it acquired debts in his name. Mr M also complains about Cabot's actions when trying to recover the debts. Mr M complains that Cabot has recorded information on his credit file.

What happened

On 22 October 2018 Cabot Financial (UK) Limited says it purchased a debt in Mr M's name from another business. Cabot Financial (Europe) Limited (Cabot) was appointed to service the debt. On 2 November 2018 both the original lender and Cabot wrote to Mr M to confirm the new arrangement and that the outstanding balance was £557.93.

On 15 February 2019 Cabot Financial (UK) Limited says it acquired another debt in Mr M's name. On 23 March 2019, the original lender and Cabot sent Mr M a Notice of Assignment and said there was an outstanding balance of £424.21. On 16 November 2019 Cabot terminated the agreement because of missed payments.

In November 2019 Mr M complained to Cabot about its attempts to recover the debts from him. Mr M asked for a copy of the Deed of Assignment. A short time later, Mr M sent Cabot information that explained he was vulnerable as he suffers with hearing loss and his mental health.

Cabot responded on 14 January 2020 but didn't uphold Mr M's complaint. It said the Deed of Assignment was confidential and not something it would send to him. Cabot says it took steps to remove all contact telephone numbers for Mr M from its systems and referred his account to its Sensitive Support Team to manage.

Mr M referred his complaint to this service and it was passed to an investigator. They thought Cabot had dealt with the complaint fairly and didn't ask it to take any further action. Mr M asked to appeal and said he does not legally owe Cabot money. Mr M also said his relationship was with the original lender. Mr M also said Cabot is legally bound to send him a copy of the Deed of Assignment. Mr M asked to appeal, so his complaint has been passed to me to make a decision.

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.

Both debts Cabot acquired were taken out with different trading names of the same original lender. Mr M says he owes the original lender because his credit agreements were with it, not Cabot. And Mr M says Cabot is legally required to send him the Deed of Assignment for the debts.

In response to the investigator's view, Mr M said that if Cabot takes him to court he is within his rights to request a copy of the Deed of Assignment. I understand Mr M's concerns and

why he wants to see the Deed of Assignment. But, I'm not persuaded Cabot's actions have been unfair in this case.

It may help if I explain that the Financial Ombudsman Service operates differently to the courts. We're an informal dispute resolution service and our decisions are made on a fair and reasonable basis. Whilst we will take into account the relevant laws and regulations, we will decide the outcome of a complaint based on what we feel is fair. In Mr M's case, my decision will focus on whether I think Cabot's requests that he repays the debts it has acquired is fair and reasonable based on all the available information and evidence.

I've considered whether there is enough information to show Mr M borrowed the funds in question and whether it's fair for Cabot to contact him and request repayment.

Cabot says Cabot Financial (UK) Limited purchased the first debt in October 2018 and it wrote to Mr M on 2 November 2018, at the same time as the original lender, with a Notice of Assignment. Both the businesses confirmed the outstanding balance had been transferred to Cabot Financial (UK) Limited which had appointed Cabot to collect it. Both businesses confirmed the outstanding balance at the time of transfer was £557.93. In addition, there is a copy of the credit agreement on file along with statements provided by the original lender showing the items Mr M purchased along with the payments he made. The original lender sent Cabot details of correspondence it says was sent to Mr M, including a default letter. I'm satisfied there is a reasonable level of information available to show that Mr M did take out a debt with the original lender that was subsequently sold to Cabot Financial (UK) Limited.

The second debt was still active when it was acquired in February 2019 but Cabot sent Mr M confirmation that it had terminated the agreement on 16 November 2019. It's subsequently reported that on Mr M's credit file. Cabot has provided a copy of the relevant credit agreement along with a transaction list that shows the outstanding balance over time and payments Mr M made. Both Cabot and the original lender sent Mr M a Notice of Assignment on 23 November 2019 confirming the same outstanding balance and new arrangements for the debt. Whilst I understand Mr M's concerns, I think Cabot has reasonably established that he owes the funds it is seeking to request.

I'm very sorry to disappoint Mr M as I can see how strongly he feels in this matter, but I'm satisfied that the information shows Cabot is fairly seeking to recover debts that were acquired by Cabot Financial (UK) Limited. Whether the debts can be enforced on a legal basis is a matter for the courts.

Mr M also complains that Cabot's contact has been upsetting and that he's felt harassed. Mr M has also told us he suffers with hearing loss and mental health issues. I'd like to thank Mr M for his candour when bringing his complaint. I've looked at Cabot's attempts to contact Mr M and whilst I can see it has tried to call him, send text messages and written, I haven't found evidence that shows its actions were unreasonable. As I've said above, I'm satisfied Cabot was attempting to recover debts that had been acquired from the original lender, so it had a genuine reason to try and make contact.

Mr M sent Cabot information about his hearing loss and mental health in December 2019 and it changed the way it contacted him. Cabot removed the phone numbers it had for Mr M from its systems and agreed to correspond in writing. Cabot also referred Mr M's accounts to a specialist team to provide assistance. Whilst I understand Mr M's concerns, I think Cabot has made adjustments to try and support him. I haven't found that Cabot has treated Mr M unfairly.

I'm sorry to disappoint Mr M, but I'm satisfied the information and evidence shows Cabot was appointed by Cabot Financial UK Limited to collect debts that were acquired from the

original lender. I haven't found that it has treated Mr M unfairly by asking him to make payments towards the outstanding balances. As I've said above, I haven't found that the level or nature of contact Cabot has had with Mr M was unreasonable.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 March 2021.

Marco Manente
Ombudsman