

The complaint

Miss H complains about the way that Cabot Credit Management Group Limited has managed an outstanding debt in her name.

Miss H wants Cabot to apologise and pay compensation.

What happened

In 2019, Cabot bought an outstanding debt in the name of Miss H. Cabot contacted Miss H to try and arrange repayment of the debt.

Over time, Miss H made several payments but there were also periods when payments stopped.

Miss H complained to Cabot after it wrote to her in October 2020. She was unhappy with the tone of Cabot's letter which was headed with the words: *"Over 900,000 customers pay regularly and on time, you are not one of them"*.

Miss H pointed out that as Cabot had used the wrong email address for her, she was concerned about possible data protection breaches. This also meant that Miss H couldn't complete the registration process to gain access to the online account portal.

When this service first considered Miss H's concerns, the investigator didn't recommend upholding her complaint. Miss H was unhappy with the investigator's recommendation.

After the first investigator left this service, a new investigator reconsidered Miss H's complaint. He thought it should be upheld and asked Cabot to pay £50 compensation.

Cabot disagrees with the decision to issue a second opinion and doesn't agree with the proposed outcome. Miss H doesn't consider £50 adequately reflects the level of distress that she's suffered trying to put things right.

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.

I realise that I've summarised this complaint, but I want to reassure Miss H and Cabot that I've considered everything they've said.

To respond first to Cabot's objection to the investigator issuing a fresh view. I can see that after the original investigator sent his view, Miss H raised several objections. The investigator requested further information but then left this service. As the newly assigned investigator had the benefit of considering the additional evidence, he reached a different view. I'm satisfied that this was reasonable in the circumstances.

My understanding is that Miss H would've preferred to pay Cabot using the online portal but was prevented from doing so because her email address was wrong. Having tried to resolve

the situation for several months, Miss H therefore found Cabot's letter of 21 October 2020 very insulting.

Cabot accepts that it made a mistake in November 2019 when it failed to correctly update Miss H's email address. Cabot says Miss H subsequently confirmed during calls that the email address it held was correct but hasn't been able to give us further evidence of this.

The key thing that I need to consider is whether Cabot should compensate Miss H for its failing and if so, whether £50 is adequate.

I agree with the investigator that it's reasonable to require Cabot to pay something in recognition of the upset caused to Miss H. But I don't require Cabot to pay more than the suggested £50. I will try and explain why.

I don't have enough evidence to conclude that Miss H repeatedly raised her concerns about the online access before October 2020. Although Miss H told Cabot in October 2020 that she wanted to set up a repayment plan online, I can't any see any record that she complained about not being able to use the online system before this date. I can see evidence that Cabot emailed Miss H with details of the online system as early as January 2020 and then in February 2020. It seems possible that Miss H's contact with Cabot prompted the emails about the online access, but I can't be certain of this.

Once Miss H successfully signed up for the online portal in October 2020, she made regular use of the service. If Cabot's emails detailing how to set up online access had arrived when they should've done in early 2020, it seems likely Miss H would've set up her account much sooner. And I think having the option to make online payments would've been much more convenient for Miss H. However, although Miss H didn't have access to the portal, she was able to use alternative ways to pay. So, I can't find that the lack of online access was the only reason why Miss H missed some payments.

I appreciate that Miss H didn't like the tone of Cabot's letter of October 2020. But Cabot had been trying to get Miss H's payment schedule back on track for some time. Although Miss H told the investigator that she'd been through a period of bereavement before receiving the letter, I can't see that Cabot was aware of this. In the circumstances, I don't find the tone of the letter unreasonable or threatening in nature.

The second investigator has already explained to Miss H that this service can't decide whether there has been a data breach – that would be up to the regulator, the Information Commissioners Office to consider. But I don't have evidence to suggest that Miss H's personal information was shared with a third party due to Cabot using the wrong email address. The email address Cabot used doesn't appear to be active. And the information contained in its emails was generic rather than personal. So, I don't consider that an additional amount of compensation is justified.

I'm satisfied that Cabot has already apologised to Miss H for any distress she may have felt. For all the reasons outlined above, I consider that £50 is a fair award to reflect the inconvenience sustained by Miss H when she couldn't access the online payment system for an extended period.

Putting things right

Cabot Credit Management Group Limited should pay Miss H £50.

My final decision

My decision is that I uphold Miss H's complaint. In full and final settlement, I require Cabot Credit Management Group Limited to pay the compensation outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 31 August 2021.

Gemma Bowen
Ombudsman