

The complaint

Mrs D complains Cabot Credit Management Group Limited trading as Cabot Financial (Europe) Limited:

- Addressed her as Mr when they should only be addressing her as Mrs
- Made her settle a debt under duress
- Their actions, while she was caring for her family who were vulnerable and had medical and emotional needs, caused unnecessary emotional distress

What happened

I issued a provisional decision setting out what'd happened, and what I thought about that. I've copied the relevant elements of this below, and they form part of this final decision.

As I understand it Mrs D took out an account with a lender I'll refer to as N. Mrs D unfortunately fell into financial difficulties, and N ultimately sold the account to a debt purchaser. That debt purchaser asked Cabot to service the account.

Mrs D has said Cabot referred to her as 'Mr' over an extended period of time causing significant distress. She said she felt disrespected, dehumanised, and dismissed. And that this undermined her dignity and added to the anxiety she was already feeling.

In terms of settling the debt, Mrs D has said she was forced by Cabot to do so under duress after her attempts to negotiate were ignored. She's said she had to sell personal belongings and borrow money. During this time, she was a victim of a scam, had her laptop stolen, and had to take a day off work costing her over £200. Mrs D says these losses and the pressure she was placed under were a direct result of Cabot's mishandling of her case.

Mrs D adds she was caring for her clinically vulnerable wife and supporting her children with medical and emotional needs. She says Cabot made no effort to acknowledge any of this or treat her as a vulnerable customer – leading to her being caused unnecessary emotional distress and an already difficult situation for her being made worse.

Mrs D made a complaint to Cabot about these issues – and also said she was unhappy about a two year delay in correspondence.

In summary, Cabot said:

- *When they bought Mrs D's account from N in 2020, they were told her title was Mr, not Mrs. The first time they say they were told about her correct title was in 2023 when she submitted her defence to the claim the solicitors who have been managing her account. They were very sorry for misgendering her, but didn't know until this time.*
- *In respect of the two year delay, this was something M were managing, so they couldn't comment further on this and noted Mrs D had complained to M about this already.*

Overall, Cabot didn't think they'd done much wrong but were sorry for the distress they'd caused Mrs D.

Unhappy with Cabot's response, she asked us to look into things.

One of our Investigators did so – he found:

- *Cabot hadn't done anything wrong when referring to Mrs D as Mr because they didn't know her correct title until she contacted them on 17 June 2025 to make her complaint.*
- *He didn't think we could consider any of Mrs D's concerns about the pressure applied by Cabot to repay the debt – because of the rules we have to apply. He added M were responsible for some of the concerns Mrs D had raised, and he could see she'd raised a complaint to them.*

Mrs D didn't accept this, saying:

- *M are part of the Cabot group and as such Cabot are responsible for their actions.*
- *She's not challenging the court's judgment, she's challenging Cabot's conduct before and around litigation so thinks we should be able to consider this.*
- *Vulnerability handling is within jurisdiction, and this hasn't been addressed*
- *Persistent misgendering was a regulated activity and directly caused distress*
- *Duress and financial detriment occurred before judgment and are within our jurisdiction*
- *Cabot's delay and communication failures were not addressed*

As Mrs D didn't accept our Investigator's outcome, the complaint's been passed to me to decide.

In a separate decision, I clarified what Cabot are and aren't responsible for in line with the rules we have to apply.

In summary I found we can't consider any of M's actions – including the two-year delay.

But we can consider:

- *Cabot's decision to not accept Mrs D's offer of £250 in settlement of her debt*
- *Cabot's decision to continue to pursue a CCJ in the timeframes they set out*
- *The duress Mrs D has said Cabot placed on her, and the impact on her in terms of what she felt she had to do in order to settle the debt to avoid the CCJ – this will take into account the items Mrs D had to sell and what unfortunately happened during this time*
- *Any delays by Cabot*
- *Mrs D's complaint about Cabot incorrectly using the title of Mr instead of Mrs*
- *And when considering these points whether Cabot have treated Mrs D fairly, taking into account the vulnerabilities she's disclosed to them about herself, her wife and her children.*

In response to that decision, Mrs D said she wanted me to be aware of two emails. They're dated 17 and 25 June 2025.

Mrs D has explained her email of 17 June 2025 disclosed significant household vulnerability, she'd made a reasonable structured settlement offer and Cabot said they were investigating.

Mrs D has said the 25 June 2025 email further disclosed vulnerability, discrimination and proportionality while proceedings were ongoing. She's explained despite these notifications to Cabot enforcement continued.

These are points I can consider, so I've factored in Mrs D's comments when deciding the outcome.

For clarity, this decision only concerns my thoughts on the bullet point list of concerns I've said we can consider.

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.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

I've mentioned Mrs D's vulnerabilities, and I'm genuinely sorry to have read about the impact on her, her wife and her children about these events. But, being impartial means I need to critically assess the information before me to decide if Cabot have acted unfairly or otherwise done something wrong. If I can't see Cabot did act unfairly or do something wrong, then I can't reasonably uphold the complaint against them.

Cabot not accepting Mrs D's settlement offer, continuing to pursue the CCJ, and the duress Mrs D says she was placed under

Mrs D says Cabot didn't want to place her under any unreasonable financial pressure – and when making her offer of £250 she said this was all the savings she had. So, this in effect was all she could afford – and I think Mrs D is suggesting by asking her to pay the £1,415.98 they did, this did place her under unreasonable pressure.

I'm aware Cabot say it was entirely M's decision on whether to accept a settlement offer or not – and that the decision to continue court proceedings was also M's – but I don't agree with this. I think Cabot as the responsible party for servicing the account have delegated this to M. So, although they may not have been involved directly, I'm satisfied they themselves are responsible for any decisions M make on these issues – and as such it's appropriate to consider these complaints against them.

As a starting point, there are no rules requiring Cabot to accept a settlement offer when there is a valid outstanding debt owed. Mrs D never disputed the debt, and has made it clear it was always her intention to pay it back – which I've seen nothing to make me think otherwise.

So, in effect, it's Cabot's decision initially on whether to even make an offer of settlement, and whether to accept any offer that is made. And, as long as they do this fairly and reasonably, then they haven't done anything wrong.

Mrs D's offer of £250 was against a debt owing of over £1,800 – representing around 7% of the total amount outstanding.

I completely understand Mrs D's rationale for making the offer of £250 – as that's the full amount of what she had in her savings at the time. But, given the total debt, and the percentage offered of it, I don't think it was unreasonable of Cabot to refuse this offer.

Whether Cabot specifically took into account Mrs D's circumstances at this time is unclear to me – but I don't think it changes the position Mrs D found herself in. Even taking into account all of her circumstances I'm aware of, I'm satisfied it was fair and reasonable of Cabot to refuse the offer.

In doing so, Cabot would have been aware if the matter had progressed to court, then the court would likely have carried out an assessment of Mrs D's ability to pay the outstanding debt. This would likely have included a review of what Mrs D could afford to repay Cabot each month.

Pulling these two points together, I think Cabot acted fairly in rejecting Mrs D's offer of £250, and in doing so believed the court would likely assess what she could afford to repay – so, in essence, Mrs D likely wouldn't have been required to pay more than she could afford.

I completely accept Mrs D didn't want a CCJ recorded against her name – and she's listed out some reasons I'd consider to be very valid for this. But, at this point in the conversations Mrs D has told Cabot what she can afford, they've fairly said they wouldn't accept this, so it's not unreasonable for Cabot to have instructed M to continue to pursue the CCJ at that time.

While I know Mrs D doesn't feel Cabot should have continued to pursue the court action because of her circumstances, I still don't think this was unreasonable for them to do. Cabot would know the court would take into account all of Mrs D's circumstances – financial as I've mentioned above, and her vulnerabilities. And, ultimately, there was a valid outstanding debt which from Cabot's perspective Mrs D had told them she couldn't pay as they'd require.

I know Cabot's decision to instruct M to continue court proceedings put Mrs D into a panic. I'm really sorry to hear of Mrs D getting scammed, having her laptop stolen and the impact on her health leading to her taking a day off. I won't pretend I understand how precisely she felt about this as I don't, but I can absolutely accept this would have been horrific for her.

I can understand why Mrs D would lay these issues directly at Cabot's door – as she feels their decision to pursue court action was unfair. But, as I've said above, I can't agree with that. And, because I don't think Cabot did anything wrong in asking M to pursue the CCJ, it follows I can't hold them responsible for the events that followed.

Cabot delays

I'm aware Mrs D blames Cabot for the two year delay between her filing her defence and them M getting back in touch – but this is the responsibility of M not Cabot. I have though looked at Cabot's notes and correspondence to show what happened.

These show Mrs D's account was placed with Cabot's solicitors M on 31 May 2023. The notes also show in the build up to this, Cabot had called and written to Mrs D on multiple occasions with no answer.

I completely appreciate Mrs D's circumstances may have made it challenging for her to address this. But, I'm required to judge whether Cabot's actions have been fair and reasonable. And I've not seen they are responsible for any delays, given they had a validly

owed debt which hadn't had any reply from Mrs D. I also don't think it was unreasonable of them to have passed it over to their solicitors for further action to be considered at this time.

Cabot incorrectly used the title of Mr when it should be Mrs

As I've set out above, when they bought Mrs D's account from N in 2020, Cabot were told her title was Mr, not Mrs. In looking at Cabot's notes, the first contact I can see from Mrs D direct to them is the complaint she raised on 17 June 2025. So, I don't think Cabot could have known about Mrs D's title being incorrect until this point.

I have seen evidence of Mrs D telling M about her title when she filed her court defence – M's notes show this was received by them 1 August 2023. But, this was to M not Cabot. And M have explicitly said they didn't tell Cabot at this time or before Mrs D made her complaint. Given that, I can't reasonably say Cabot have made an error in how they addressed Mrs D when contacting her before her complaint on 17 June 2025. And the information I have shows they updated it promptly on their systems following this and have then used the correct title going forward.

Summary

In summary then, I've found Cabot didn't do anything wrong in rejecting Mrs D's settlement offer or instructing M to continue pursuing the CCJ. Because of that, I can't hold them responsible for the impact that occurred when Mrs D says she was under duress to repay the debt. I've also not found any delays by Cabot in their handling of things, nor that it was their fault when they were using the wrong title of Mr instead of Mrs. So, overall, I don't think Cabot have done anything wrong.

Responses to my provisional decision

Cabot replied and said they had nothing further to add.

Mrs D replied and didn't accept what I'd said. I've summarised what I consider to be her key points:

- In her defence submitted to the court on 21 July 2023, she clearly said her title wasn't 'Mr' but was 'Mrs'. She raised this again with the court later on, and they confirmed in June 2025 their records had been amended to reflect her correct title.
- On 17 June 2025, she submitted a formal complaint to Cabot, outlining significant household vulnerability, and escalated matters with them on 25 June 2025. Despite this, Cabot haven't addressed matters I said were in scope and she asks this is taken into account. Mrs D has also asked if her vulnerabilities were recorded on Cabot's systems, when it was, and if any reassessment took place.
- She'd also approached another Ombudsman service about M, and they'd said as they were acting solely on their client's instruction, they couldn't help. Mrs D said she included this to explain why her concerns regarding oversight and fairness can only be considered against Cabot.

Mrs D then provided further detail about why she felt Cabot were responsible for M's actions.

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'd like to firstly thank both parties for their very prompt response to my provisional decision.

I'll address Mrs D's points in order.

All of the information I've seen shows me Mrs D did tell the court they were using the incorrect title of Mr when they were contacting her, and should have been using the correct title of Mrs. I don't dispute this at all. But, the points I made in my provisional decision stand. I haven't seen anything to show M – who received this information – passed it on to Cabot. And, given M were dealing with Mrs D at the time, I can't hold Cabot responsible for this.

I do agree with Mrs D it's disappointing Cabot didn't address all of the issues they should have done. But, in thinking about this, I'd need to be satisfied this has caused unreasonable detriment to Mrs D. I understand she'll have felt frustrated – but I also can't ignore she was unhappy with all of Cabot's answer anyway. She's also not agreed with our Investigator, or my provisional decision, when we've explained what we could do and our thoughts on that. This is of course her right, but what it says to me is Mrs D hasn't been unreasonably impacted by Cabot not addressing all of her points, because she'd have taken matters to this stage anyway.

I'm sorry to hear the other Ombudsman service can't help Mrs D about her concerns with M. Given her concerns about M, I can see why this would be extremely frustrating for her. But, I've previously explained what I can and can't hold Cabot responsible for.

I've read all of Mrs D's points about why I should be able to consider the actions of M against Cabot – including what she's said about Imputed Knowledge, M referred Mrs D to our service, Consumer Duty and the Consumer Credit Sourcebook (CONC). This is essentially a set of rules and guidance by the Financial Conduct Authority for businesses to follow.

My understanding of 'Imputed Knowledge' is essentially Mrs D is saying regardless of whether Cabot had knowledge about elements of her complaint, they *should have known*. I'm afraid I can't agree with that. While I understand the point Mrs D is making, I'm satisfied they didn't know her correct title for all the reasons I've explained above. And I've also found they treated Mrs D fairly once they knew about her household vulnerabilities too. So, I'm satisfied this doesn't change anything.

In respect of Mrs D's disclosures regarding her vulnerabilities I'm not able to locate from Cabot's notes what they recorded. What I would say is, on an ongoing basis, Cabot need to treat Mrs D fairly and reasonably taking into account what she has already told them. If Mrs D doesn't feel Cabot are doing that, then she'd be entitled to raise another complaint about their actions, and refer to us if she remained unhappy.

I don't think me not being able to see what's been recorded by Cabot changes the outcome of this complaint though. Cabot have treated Mrs D in the way I'd expect based on what they knew. And I'm satisfied once she did disclose her vulnerabilities for the reasons I've already set out they continued to act fairly.

In terms of M referring Mrs D to our service that isn't something I can comment on. I realise this will seem like I'm being unhelpful and that isn't my intention at all, but I can't comment on another business's actions in a complaint against Cabot. If Mrs D wants to, she can ask our Investigator to look into setting up a complaint against M, but I don't know if we can and, even if we can, what we'd be able to consider, as I've only looked at Cabot's actions.

Overall then, taking into account Consumer Duty along with CONC, I don't think Cabot have done anything wrong in their handling of Mrs D's account.

My final decision

I understand Mrs D will feel very disappointed, but for all the reasons I've set out above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 12 March 2026.

Jon Pearce
Ombudsman