

complaint

Mr R complains that he's being chased by Cabot Financial (Europe) Limited for a debt that's been satisfied. And he's unhappy about the connected negative entry on his credit file. He's also unhappy that a note has been put on his credit file linking him to an address that he says doesn't belong to him.

background

I issued my provisional decision in August 2015, a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I was not intending to uphold Mr R's complaint. And I invited all parties to let me have any further comments before I reached a final decision.

Cabot hasn't responded to my decision. Mr R responded to say he disagrees with my provisional decision. And that he doesn't feel his evidence has been taken into account.

In summary, he says:

- He didn't report his card as lost/stolen.
- There was never a second account opened and registered on his credit file.
- He didn't contact Vanquis in June 2014 and Cabot didn't send him an account statement at that time.
- He hasn't made any payments to Vanquis '*post settlement in 2008*'.
- The reference to the linked address is incorrect and he's sent in enough evidence of this. Mr R has also recently sent a statement from a charity to say he hasn't lived at the linked address before. He says the charity owns the property and has occupied it since 2005 as a place of worship and that no one is allowed to live there. In terms of the electoral register entries for him at the linked address, he says he was the victim of identity fraud and he feels Cabot is taking advantage of this situation.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I thank Mr R for his comments. I've considered them carefully alongside all the evidence and arguments already submitted in order to decide what's fair and reasonable.

It may be helpful at this stage for me to explain that, although Mr R has raised a number of concerns in response to my provisional decision, I will *only* be addressing those issues I consider to be new points which are materially relevant to the complaint in hand. Mr R should note, however, that although I may not address each individual point he's raised, I've given careful consideration to all of his comments before arriving at my decision.

Having done so, I've reached the same conclusions as set out in my provisional decision and for the same reasons. However, I would like to make the following observations:

- In summary, Mr R says that the documents and records given to this service by Cabot and Vanquis have been falsified to '*illegally*' '*take money from me which I do*

not owe'. In cases like this, I need to assess the evidence available by looking at the two different versions of events and deciding what I think is most likely to have happened. And I just don't think that Mr R's version of what's happened is the most likely thing to have happened. And I haven't seen any evidence to support this.

- As I've mentioned before, Mr R's connection to the linked address is supported by entries on various databases. This includes the electoral roll, company appointments listed at Companies House and other financial registers and databases.

Mr R might have concerns with these individual records. However, I think Cabot was entitled to rely on these records to reveal linked addresses for Mr R. So, taking everything into account, I can't agree that the link should be removed.

Even if I accepted that the linked address was only meant to be used as a place of worship as a result of planning restrictions, it could still be used as a correspondence address.

my final decision

My final decision is that I don't uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 9 November 2015.

Rebecca Ellis
ombudsman

extract provisional decision dated 5 August 2015

background

Mr R took out a credit card with Vanquis Bank in May 2008. Cabot bought this debt from Vanquis in June 2010 when it says Mr R owed around £720.

Mr R raises two key complaints against Cabot.

Mr R says the debt's been settled

Mr R says that his credit file showed the Vanquis account as '*settled*' in 2008. So he doesn't understand why a default was put on his credit file by Cabot for the same account when it'd already been settled.

Mr R complained about this to Cabot and it contacted Vanquis for more information about this. Vanquis explained that Mr R first opened an account with it in May 2008. His card was then reported 'lost/stolen' in September 2008. So a new account was set up with the balance from the old account being transferred onto the new account. Vanquis says that this is why there are two accounts shown on Mr R credit file. And all 'lost/stolen' accounts are recorded as '*settled*' on a customer credit file because this is what happens when the balance is transferred to the new account.

Vanquis says it wrote to Mr R in June 2014 to respond to a query from Mr R about the debt. And Cabot sent a copy of the transaction history to Mr R to show what he was spending on his account and to show that he last made a payment towards his account balance in November 2009. But Mr R says he didn't get the letter. And he says that the statement of account is fake and has been created to take money from him that he doesn't owe.

Taking everything into account, Cabot says that Mr R owes the debt of around £720. And the entry on Mr R's credit file associated with this debt is correct.

linked address on Mr R's credit file

Mr R says that a note has been put on his credit file linking him to an address which doesn't belong to him. And he wants Cabot to remove the linked address.

Cabot says that Mr R had been noted on the electoral roll at both his address and the linked address and so did external databases. It also said that active accounts were in his name for both addresses as well. So it wouldn't agree to remove the linked address from his credit file.

settlement

In January 2015, Mr R offered £250 to Cabot as a full and final settlement to close the matter on the condition that it removed the default from his credit file. Cabot told Mr R that it couldn't agree to change his credit file entry but said it would accept £250 in full settlement of the debt. This amount hasn't been paid by Mr R.

Our adjudicator felt that the debt was due from Mr R but that Cabot was slow to answer his questions. He thought that Cabot should've chased Vanquis more when waiting for an explanation about the account. So he suggested that Cabot pay Mr R £350 to compensate him for those delays. He thought this amount should be deducted from the outstanding debt. And he also thought that once Mr R had paid off the remaining balance of this debt, his credit file should show the debt as fully satisfied. In relation to the linked address, he didn't feel that Mr R had given sufficient evidence to show that he lived at a different address at the time of applying for the credit card.

Mr R wasn't happy with this outcome – he feels that our adjudicator ignored his evidence. And he says he doesn't recognise Cabot's debt or agree with the default registered on his credit file. So this complaint's been passed to me for a decision.

my provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr R says the debt's been settled

I haven't seen any persuasive evidence to suggest that Mr R's debt was repaid in 2008. It seems that the only evidence Mr R has of this is the entry in his credit file which says the first account was 'settled'. However, Vanquis has explained why there are two accounts on the credit file and why one is shown as settled. And I think that this is what's most likely to have happened. Mr R was still paying his credit card debt in late 2009. It doesn't make sense to me that he'd still be paying off his card if he thought he'd already settled it in full a year earlier. So I think that Mr R knew that he hadn't paid off his credit card debt with Vanquis.

I think that the entry for Cabot on Mr R's credit file refers to a start date in May 2008 because this is when he started to incur a debt with Vanquis. And it's the same start date as the first Vanquis entry. His first account had been settled – by being transferred to the new account. And the new account correctly records the default date in June 2010. So I don't think that there's anything sinister in this, as suggested by Mr R.

Taking this into account, I think that Cabot can pursue Mr R for this debt. And I'm satisfied that Cabot was allowed to record adverse information on Mr R's credit file. This is because the purpose of the credit file is to accurately show how Mr R operated his account. And Mr R stopped making repayments on his credit card in November 2009.

linked address on Mr R's credit file

Mr R has sent us an email stating that he was 'responsible for the electricity supply' at his address since 2002 and also that he's been registered with a doctor's surgery since 2006 under that same address. But that isn't the same as showing that he actually lived at a different address to the linked address on his credit file. And I just haven't seen any evidence from Mr R to support what he says.

In contrast, Cabot says that external agencies link Mr R to both his home address and the linked address. And this is supported by entries on the electoral roll. So I cannot agree that the link should be removed based on the evidence I've seen.

summary

I can see that there were some delays in Cabot dealing with Mr R's queries. This was mainly caused by the delay in Vanquis responding to it. However, I don't think that Mr R was disadvantaged by this. I say this because Cabot told Mr R what it was doing to get to the bottom of his queries and it was in frequent email contact with him. I also think it's most likely that Mr R knew that he hadn't paid off the debt on his credit card, so I don't think that Cabot's final response would've been a surprise.

my provisional decision

For the reasons set out above, I'm not currently intending to uphold Mr R's complaint. So there's nothing that Cabot Financial (Europe) Limited needs to do to put things right.

Rebecca Ellis
ombudsman