

## complaint

Mr T has complained about three credit card debts of his that have purportedly been assigned to Cabot Credit Management Group Limited ('Cabot').

He's unhappy about the lack of information he's received from Cabot about the debts and how much he owes.

## background

There are three debts, under which the original lenders were respectively CitiFinancial, Halifax and Opus. Cabot has accepted the debts are unenforceable in court. But it has asked Mr T, via his representative, to agree to an affordable repayment plan.

Our investigator couldn't look into all the points Mr T raised, for example the original affordability of the debts. But he did examine what evidence there was of the debts having been assigned to Cabot and of what was still owed.

The investigator concluded:

- The Halifax debt had been assigned to Cabot, and the amount said to be still owing appeared to be in order. There was no reason to stop Cabot from pursuing this debt.
- On the basis of the available evidence, Cabot was entitled to pursue Mr T for the CitiFinancial debt, which had been assigned to Cabot. However, for the reasons the investigator gave, Cabot should reduce the balance owing by £196.94 and corresponding interest.
- Revising his original conclusion because of further evidence, the investigator thought there was enough to show that the Opus debt had been assigned to Cabot. He also thought the amount Cabot was asking Mr T to repay was correct. So there was no reason to stop Cabot from pursuing this debt.

Cabot accepted the investigator's conclusions. Mr T didn't dispute them further with regard to the CitiFinancial and Halifax debts. Regarding the Opus debt Mr T's representative wrote:

- Cabot hadn't been able to provide any documentation for the former Opus account that could adequately prove the debt to be due and the sum that was owing.
- Paragraph 5.8 of Office of Fair Trading Guidance on s.77, s.78 and s.79 of the Consumer Credit Act from October 2010 (relating to circumstances when a creditor was unable to comply with the s.77/78/79 request) stated "*...The OFT would firstly expect the creditor or owner to take steps to check that there was in fact an agreement with the debtor or hirer, and in particular whether there are in fact monies outstanding under it, and if so for how much. This should be capable of being demonstrated to the debtor or hirer...*".
- Without a copy agreement, complete statement of account and notice of assignment itself, Cabot couldn't establish a debt to be properly due, and so to continue to pursue Mr T for a sum would be unfair.

## **my findings**

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

Both parties have accepted, or not further disputed, the investigator's conclusions about the Halifax and CitiFinancial debts. I've reached the same conclusions as the investigator with regard to those debts.

Regarding the Opus debt, Cabot has accepted it's not enforceable by court action, and the ombudsman service has no power to require Mr T to repay the debt. The question for us is whether we should stop Cabot from pursuing the debt.

While the ombudsman service takes account of the relevant law etc, we're in the end obliged to decide complaints by reference to what we think is fair and reasonable. My understanding is that Mr T doesn't deny he had a credit card debt with Opus. The available evidence has persuaded me, on the balance of probabilities, that the debt was assigned to Cabot and that the amount said to be owing is correct. That being so, I don't think I can fairly require Cabot not to ask Mr T to repay the debt. I'm sorry to disappoint Mr T.

Like the investigator, I don't think Cabot should pay any compensation for distress or inconvenience. Mr T's complaint has for the most part not been upheld. The ombudsman service hasn't concluded Cabot shouldn't pursue repayment of the debts.

## **my final decision**

If it hasn't already done so, Cabot Credit Management Group Limited should reduce the balance owing under the CitiFinancial debt by £196.94 and the interest that's built up on that amount. I don't require Cabot to do anything more in relation to the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 January 2020.

Roger Yeomans  
**ombudsman**