

## **complaint**

Mr N complains about Cabot Financial (Europe) Limited ("Cabot"). He says that they unfairly pursued him over a settled debt between 2006 and 2017. Mr N therefore thinks that Cabot owes him money.

## **background**

In February 2005 Mr N took on a loan with a different bank, which I will call H.

In July 2006 H sold the loan to Cabot. At that time the balance outstanding was just over £6,600.

Cabot wrote to Mr N in July 2006 to inform him of the transfer of the loan.

Cabot tried to contact Mr N to arrange payment of the debt. Mr N spoke with Cabot for the first time in October 2006, by telephone. During that conversation a payment plan was set up for Mr N to repay £1.00 per month towards the outstanding debt.

Mr N made two monthly payments in October and November, but payments stopped in December 2006.

Cabot then began trying to contact Mr N again. Cabot made further contact with Mr N in February 2007 and they agreed to reinstate the payment plan. Mr N made monthly payments between March 2007 and January 2008 when the payments again stopped.

Cabot then tried to contact Mr N. When unsuccessful, Cabot carried out a tracking search to locate Mr N, and identified that he was still at his same address.

Cabot then recommenced attempts to contact Mr N in January 2011.

Mr N contacted the ombudsman in early 2011, and the ombudsman referred his complaint to Cabot. Mr N was complaining that he believed the debt had been settled and was unhappy that Cabot had continued contacting him.

Cabot wrote to Mr N with holding letters in February 2011, and then again in March 2011. These set out that Cabot was requesting information from the original debt owner, H, and would come back to him once it was received.

Cabot sent a final response to Mr N in April 2011 setting out that because the information had not been received from H, it was unable to respond to his concerns fully.

The account was then placed on hold, and was closed administratively in February 2016. This wrote off Mr N's outstanding debt, which was at that time just under £6,600.

In September 2016 H contacted Cabot, to advise that it had received a complaint letter from Mr N. It stated that Mr N had not received a response from Cabot in 2011.

Cabot then wrote to Mr N setting out that his account was closed and it considered the complaint closed. This letter set out Mr N's right to complain to the ombudsman.

Mr N then referred his complaint to us.

One of our investigators has considered this matter and set out her opinion to Mr N. That view was that Cabot had acted reasonably in relation to the debt.

Mr N has not accepted that view and so it has been referred for an ombudsman decision.

### **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 understand that Mr N feels that he was forced to make payments between 2006 and 2017.

I have, however, only seen evidence that he made payments up until 2008, totalling £15. I understand that Mr N thinks that this should be reimbursed to him.

On the evidence, it appears that Mr N owed a large amount on the loan, and that debt was bought by Cabot in 2006. Cabot acted properly in letting Mr N know, and in contacting him to arrange a repayment plan.

Once that plan was in place, and payments stopped, Cabot was entitled to contact Mr N. This happened in both late 2006, and early 2008, after payments stopped again.

It appears that there was then a break in contact until early 2011. I do not consider that this prevented Cabot from then making contact again, since there was still a large debt outstanding and there had been no payments made.

When Mr N complained in early 2011, Cabot sent holding responses, and ultimately advised Mr N that it was not able to respond to his concerns fully. At the same time, Cabot placed the account on hold, and I understand that Cabot has not contacted Mr N or tried to enforce the debt since that time.

Whilst I think Cabot could have provided more information to Mr N in April 2011, I think that in the circumstances, namely that they had not received the necessary information from H, Cabot acted reasonably in deciding to put Mr N's account on hold, and then ultimately writing off the debt in February 2016.

On balance I do not think it would be fair to ask Cabot to reimburse Mr N with the £15 that he paid to Cabot, since this appears to have been properly due on the debt at the time it was paid.

As a result I do not uphold Mr N's complaint and do not ask Cabot to do anything further. I appreciate that this will be disappointing to Mr N but I hope this explains why I think this is fair.

### **my final decision**

As set out above, I do not uphold Mr N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 11 August 2017.

Laura Garvin-Smith  
**ombudsman**