

complaint

Mr G complains Cabot Credit Management Group Limited has been pursuing him for debts he says he doesn't owe. He wants it to provide proof of the debts or stop chasing him.

background

Mr G tells us Cabot has been chasing him for several debts - but hasn't sent him breakdowns of the debts when he requested. He believes one account was repaid in full and one account had a limit of £2,500 - so he doesn't know how it escalated to £6,000. And he says his bank account was never overdrawn.

Cabot told us Mr G had three accounts. It had purchased one account with a balance of just over £6,000 and had received payments of over £100. It said it had no evidence the second account had been repaid - and Mr G was continuing to make payments. The third account it said had defaulted and there was over £1,700 still owing - so it was thought unlikely this account never went overdrawn. Cabot said it recognised it hadn't always been able to comply with Mr G's requests for documentation. And it apologised and said it had arranged to reduce the balances on all Mr G's accounts by £100.

The investigator said she'd seen evidence Mr G had been paying towards the debts for several years. And she didn't think Cabot had done anything wrong in seeking repayment. Cabot had apologised for not always keeping Mr G updated when he requested information. But it had offered to reduce all the debt balances by £100 - which she thought was fair and reasonable.

Mr G said he wanted an ombudsman to make the final 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'm sorry Mr G has experienced financial difficulties over a long period of time. This can't have been easy and I understand why he wants clarity in respect of amounts he is being asked to repay. I'm afraid I doubt if I'll be able to go as far as he would wish and I'll explain why.

This service is an informal resolution service - and whilst I take the law into account I do not apply it directly. This means it's not for me to decide if Mr G owes these debts or whether the debts are enforceable. Only a court can do that. My decision is based on if I think Cabot has treated Mr G fairly and whether - based on the information that is available - it has reasonable grounds for believing Mr G is the person responsible for repaying these debts.

In its final response letter Cabot set out a full history of the debts and as Mr G has seen this I don't need to repeat the details here. That history showed Mr G had at various times been in contact with Cabot and payment arrangements had been made for these debts. And I can see payments have been made from all the accounts within the last two years.

It seems to me this is more than sufficient evidence to say that the debts are highly likely to be Mr G's. So I think Cabot is entitled to seek repayment.

Cabot has accepted that it hasn't been able to provide Mr G with all the documentation he's requested - and that might have implications for the *enforceability* of a debt. I can see Cabot explained this in its final response letter. Whilst there may at this time be insufficient evidence to start a court case that does not mean Cabot cannot use other methods of collection.

So whilst I know it will disappoint Mr G I don't think Cabot has done anything wrong in asking him to repay these debts. And I shan't be asking it to stop collection activity - or write the debts off.

As it's offered to reduce the balance on each of Mr G's accounts by £100 - to reflect it's been unable to obtain all the information Mr G requested - I think that is fair and reasonable. So I shan't be asking Cabot to do anything else.

my final decision

For the reasons given above I'm upholding this complaint but only in part.

Cabot Credit Management Group Limited has already made an offer to reduce the balance on each of Mr G's accounts by £100 - £300 in total. And I think this offer is fair in all the circumstances.

My decision is:

Cabot Credit Management Group Limited should reduce the balance on each of Mr G's three accounts by £100 - a total credit of £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 April 2019.

Stephen D. Ross
ombudsman