

complaint

Mr J complains Cabot Credit Management Group Limited fabricated a notice of assignment of a debt - which it then tried to collect from him. He also complains about the methods used to try and collect the debt. He wants action taken in respect of the business' consumer credit licence.

background

Mr J tells us Cabot tried to collect a debt - which it alleged he owed - following the assignment of the debt from a business I'll refer to as "S". Mr J alleges the notice of assignment was fabricated and in support of this cites a missing digit from the reference number. He says the credit card number to which the debt allegedly relates was quoted as consisting of only 15 digits. He says credit cards issued by S always have 16. He says Cabot has caused him harassment due to the methods used to try to collect the debt.

Cabot told us it purchased the debt in August 2016. It said the account related to a credit card issued by S in 2004 and the account had defaulted in April 2012. Cabot claims the balance outstanding is in excess of £22,000. It said a notice of assignment was sent to Mr J in October 2016. The account number was missing the final digit - Cabot explained S had provided erroneous information which it had subsequently corrected. It had sent a further letter in November 2016 asking Mr J to make contact regarding the debt. When Mr J didn't respond the case was passed to solicitors who issued a claim in February 2017. It advised that Mr J entered a defence to the claim - as a result of which the claim was stayed and has remained so pending the outcome of this complaint.

The investigator didn't recommend the complaint should be upheld. She thought Cabot had demonstrated it was entitled to collect the debt. And she didn't think there was any evidence to say it had done so in an unfair or unreasonable way.

Mr J didn't agree and said the investigator's view conveyed an unbalanced approach. 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 can see this is a matter of importance to Mr J - and given the alleged debt is in excess of £22,000 I can see why that would be the case.

In dealing with this complaint it's important for me to explain my role and the limitations of it. I don't apply the law but I do take it into account. That means it's not for me to decide whether the debt exists, whether Mr J is liable and / or whether it's enforceable. Those are matters only a court can decide.

My decision relates only to deciding if Cabot had reasonable grounds to believe Mr J owed the debt. And if the methods it used to seek to collect it were reasonable.

I've seen a copy of the original agreement. That agreement is in the name of Mr J. And the address, date of birth and former occupation stated on the form all coincide with the information he provided to us on the complaint form he sent to us. The investigator commented upon the signature on the agreement and that on documents known to have been signed by Mr J being almost identical. I'd say the signatures were illegible but nonetheless bore a high degree of similarity.

Mr J says the fact the Notice of Assignment bore an incorrect account number is evidence it was fabricated. But it seems to me it's far more likely one missing digit out of 16 is accounted for by a system inputting error than anything more sinister. Particularly as the other digits are correct and the "*missing*" digit is the final number.

Where facts are in dispute I have to make my decision only on the balance of probabilities. But in this case I'd say the chances of this account not referring to Mr J are minimal. And in my opinion he is the debtor to whom this account relates. And Cabot had reasonable grounds for seeking to collect this debt from him.

When Cabot bought the debt it appeared there had been acknowledgement of it in 2012. I've seen correspondence from around that time between Mr J and S in relation to it. So it seems the debt is not time barred - as usually contractual debts can be enforced within six years of the last payment *or* acknowledgement of the debt. So when Cabot issued legal proceedings in 2017 it appears to have been within that period. And it had no reason to suppose it was not entitled to pursue the debt.

I've been provided with a log of phone calls made - most of which appear not to have obtained a reply. And I've seen letters - including those written by solicitors in relation to the issue of the claim. Nothing I've seen makes me think the collection methods used were unreasonable either in the tone adopted or the frequency of contact. And Cabot demonstrated it was aware of its responsibilities by removing Mr J from the dialler function - meaning he wouldn't be contacted by phone - following the issue of its final response letter.

So I'm in agreement with the investigator and for much the same reasons in finding this complaint should not be upheld.

my final decision

For the reasons given above my final decision is I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 24 September 2018.

Stephen D Ross
ombudsman