

## **The complaint**

Mr F has complained about PRA Group (UK) Limited pursuing him for a debt.

## **What happened**

This complaint is about an overdraft debt which defaulted in 2014, then was sold from the original creditor (“L”) to PRA Group in 2017. At the time, another company – “W” – was managing the debt on PRA Group’s behalf, and Mr F was paying W £1 a month.

In June 2018, the payments stopped. In July 2018, W returned the management of the account to PRA Group. PRA Group tried texting, calling, and writing to Mr F using the contact details they had, but they didn’t get a response. In January 2019, PRA Group got a county court judgement (CCJ) against him.

PRA Group tried to enforce the judgement, but the bailiff couldn’t find Mr F. So in October 2020, PRA Group carried out an address trace. They found a different address for Mr F and wrote to him there.

Mr F got that letter, and explained they’d been writing to the wrong address this whole time – so he hadn’t known they’d been chasing him. He thought he’d given them his new address, as he’d given it to other creditors. He explained he’d continued to make repayments to all his debts as far as he was aware – including making payments to W for an account originally from L. He disputed the balance, as it had only been around £1,500 back in 2013. He was also unhappy that PRA Group had got a CCJ, and felt they hadn’t made enough efforts to get in touch with him beforehand.

Our investigator looked into things independently and didn’t uphold the complaint. They explained we could only consider what PRA Group had done before the CCJ, and we didn’t have the jurisdiction to tell them to set aside the judgement or adjust the balance. They looked at the records of the account and confirmed that Mr F had stopped paying it in 2018, and that PRA Group had tried a large number of times to get in touch with him using several methods. They couldn’t find any evidence that Mr F had given his updated address to W before they passed the debt back to PRA Group, nor to PRA Group after that. And the L account he’d recently been paying via W was a different account, rather than this one.

Mr F reiterated he’d given W his new address, as they’d written to it regarding other accounts. He pointed out he’d paid towards all his other debts, so he questioned why he’d deliberately leave this one out. He asked for an ombudsman to look at his case afresh, so the complaint was passed to me to decide.

I sent Mr F and PRA Group a provisional decision on 16 August 2021, to explain why I didn’t think the complaint should be upheld. In that decision, I said:

*Based on what I've seen so far, I don't think I can fairly tell PRA Group to do anything further – I'll explain why.*

*As our investigator explained, we are only allowed to consider complaints about “regulated activities” – such as collecting a debt under a credit agreement. But once a business gets a county court judgement, it's no longer collecting a debt under a credit agreement – the agreement effectively merges into the judgement. Instead, it can only attempt to recover the money by enforcing the judgement – and enforcing judgements is not a regulated activity. We're also generally not able to make decisions about issues that have already been dealt with in court.*

*That means I can't consider whether PRA Group were right to get the CCJ or not, and I don't have the power to set aside the CCJ or adjust the balance. I can see that PRA Group have given Mr F the contact details for the County Court Business Centre if he wants to dispute the CCJ.*

*With that said, I am able to look at whether PRA Group were trying to collect the right balance before they got the CCJ. And from the evidence I've got, I'm satisfied that they were. Understandably, Mr F questioned how the overdraft had increased so much since 2013. That's because he was still using that L current account for another year after that – it didn't default until 2014. And in the meantime, between his spending and L's fees, the balance increased to £3,154.59. I'll send Mr F the bank statements so he can see how the balance got to there.*

*I understand Mr F also disputes some of the fees that L added. But that's about what L did before PRA Group owned the account, so I can't hold PRA Group responsible for what happened there. I understand L have now offered to refund some of the fees involved.*

*By the time L sold the debt to PRA Group, Mr F had got the balance down from £3,154.59 to £2,917.55. Then L forwarded PRA Group three £1 payments he'd made, which brought the balance to £2,914.55. Mr F continued to make £1 payments to W, who passed them to PRA Group. His last payment was in June 2018, bringing the balance to £2,902.55. PRA Group did not add any interest or fees, and this was the same balance they claimed in the CCJ.*

*After that, there were some fees added for the court proceedings and warrant. But I'm not able to consider those, as they're in relation to the court judgement and what happened after. If Mr F wants to dispute those, he'd need to do so with the county court.*

*Mr F sent us evidence he'd made payments to W regarding a former L account. But I'm afraid that was a different account, with a different account reference and balance to this one. That account was sold to a different company (“C”), and not PRA Group. As far as I can see, Mr F's payments for this account ended in June 2018. Though of course, if Mr F has evidence he made payments towards this PRA Group debt after June 2018, then I would be grateful if he could send that in response to this provisional decision before deadline, and I'll be happy to reconsider this point. In the meantime, I'll send him the payment history.*

*So while I appreciate why Mr F was surprised to learn about the balance, I'm currently satisfied it was correct.*

*In terms of PRA Group's contact with Mr F, I can certainly appreciate it would have been frustrating to learn they'd been writing to the wrong address. I've gone through the records of Mr F's contact with both PRA Group and W, and I can't see that he ever gave them his new address for this account. I understand that W have his up-to-date address now, as they write to it about other accounts. But I can see that back in 2018, W were writing to his old address, as that was the one they had on file. It may be that Mr F updated his details with W some time after they'd already passed this account back to PRA Group.*

*In any case, the address PRA Group wrote to was the address W gave them. So I'm currently satisfied that PRA Group were writing to the address they'd been told was correct, which was also the last known address for this account. And in addition to these letters, PRA Group also tried other methods of getting in touch – such as regularly calling Mr F, leaving voice messages, and sending him texts. Indeed, I can see they tried to get in touch with him quite a number of times over the years. So I think PRA Group made sufficient efforts to contact Mr F about this account.*

*I can completely understand Mr F's point of view – he was clearly making good efforts to keep his other creditors updated and pay his debts. He says he didn't deliberately leave out this account, and I don't doubt that. It may be that he forgot about this account, or mixed it up with a similar one and thought he was still paying it, or didn't recognise who PRA Group were when they were getting in touch, and so on. Sometimes things slip through the cracks. But from what I've seen so far, I think PRA Group were trying to collect the correct balance, and I think they made sufficient efforts to contact Mr F.*

I said I'd consider anything else anyone wanted to give me – so long as I received it by 13 September 2021. Neither Mr F nor PRA Group sent me anything new to consider.

### **What I've decided – and why**

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

Neither side have sent me any new evidence or arguments. So having reconsidered the case, I've come to the same conclusion as before.

### **My final decision**

I don't uphold Mr F's complaint in this particular case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 12 October 2021.

Adam Charles  
**Ombudsman**