

The complaint

Mr B complains that PRA Group (UK) Limited (PRA) are pursuing him for a debt he doesn't recognise and says they haven't shown he is liable for.

What happened

The debt stems from a credit card account with a firm I'll refer to as B. In October 2021, B sold the account to PRA with an outstanding balance of £3,530. 38. The details associated with the account were Mr B's, albeit the address they had for Mr B was no longer current. Notice of Assignment letters (NOA) were sent to Mr B's Current address which PRA was able to identify by carrying out a trace, through a credit reference agency.

Mr B asked PRA for documents to prove he was liable for the debt as he didn't recognise it. The documents he wanted sight of were, the original signed copy of the credit agreement (CCA), a copy of the deed of assignment and the default notice for the account.

Although PRA initially weren't able to provide any of the documents Mr B required, they did over a number of months provide a "true copy" of the CCA, the statements and the default notice that had been issued by B. They didn't provide a copy of the deed of assignment.

Mr B argued that the "true copy" of the CCA wasn't adequate, and PRA needed to provide a signed copy of the executed agreement to prove the debt. He also maintained that he needed to see the deed of assignment so that he could verify the legitimacy of the debt transfer. Mr B has also argued the debt is unenforceable.

PRA investigated but said they still held Mr B liable for the debt. Mr B brought his complaint to this service.

PRA sold the debt on to a firm I'll call P in December 2023, but remained responsible for servicing the account.

Our investigator didn't uphold Mr B's complaint. In summary he said:

- When Mr B disputed the debt PRA acted as it should, in line with the relevant rules and looked into his concern. They let him know they were satisfied he was liable for the debt as; it had been taken out in his name using his personal details including his correct (although not current) home and email address and his phone number.
- There was no requirement for PRA to provide Mr B with the deed of assignment, as that is a commercial agreement between the buying and selling business. And as long as joint NOAs have been issued this is sufficient to satisfy the transfer of the debt. Joint NOAs were sent when the account was sold from B to PRA, and later when PRA sold the debt on to P.
- A *true copy* is not an exact copy of the signed agreement, a business can provide a reconstituted copy of the agreement and that is what B provided to PRA to pass to Mr B. So, PRA complied with the relevant rules when providing it to Mr B. And Mr B

hadn't provided anything to say why this shouldn't be considered a *true copy*.

- The rules say that statements should be provided if available, and PRA have provided them covering the period of January 2021 to September 2021, when the account defaulted.
- PRA provided Mr B with a copy of the default and termination notice that B sent to Mr B
- Overall PRA have dealt with Mr B's dispute of the debt fairly and provided the documents it was required to; from those he had asked for. They had explained with clear justification why they were satisfied Mr B was liable for the debt.

Mr B raised a number of arguments in response to the investigators findings and so the matter has now been passed to me to decide.

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.

I realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me. And this isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless it's relevant to the crux of the complaint.

The main issues as I see them is that Mr B says he doesn't recognise the debt, and he doesn't believe the documents PRA have provided to him prove he is liable for it. He believes without the deed of assignment he can't be satisfied the debt was transferred, and without what he believes to be a *true copy* of the CCA the debt isn't enforceable.

When considering Mr B's complaint, I have taken into account the relevant rules, regulations and laws, including those set out by the Financial Conduct Authority (FCA) in the Consumer Credit Sourcebook (CONC) which can be found on their website.

Recognition of the debt and liability for it

CONC 7.14.4 says:

Where there is a dispute as to the identity of the borrower or hirer or as to the amount of the debt, it is for the firm (and not the customer) to establish, as the case may be, that the customer is the correct person in relation to the debt or that the amount is the correct amount owed under the agreement.

When PRA purchased the debt from B, they were entitled to rely - in good faith - on the information provided to them by B. B had told them that this was Mr B's debt and given them contact details for him.

PRA have shown why they believe the debt to belong to Mr B saying the account was opened in Mr B's name, using all of his correct details at an address he had lived at, using

his current email address and current phone number. They used all these same details to trace Mr B to his current address, using a trace service from a credit reference agency.

When Mr B raised the dispute with PRA over the debt and asked for documentary evidence of it, they contacted B to obtain the documents he asked for. All the documents were provided to Mr B, barring the deed of assignment, which I'll come back to later.

Bringing all of this together I'm satisfied that PRA met their obligation under the rules to establish Mr B was the correct person to be liable for the debt and by providing statements showed how the debt had accrued. So, I don't think it is unreasonable for them to be contacting him in relation to the debt to arrange payment. Having said that, being liable for a debt and that same debt being enforceable are two different things, which I'll come back to later in this decision.

I do accept that the documents were drip fed over a long period of time, but I can't fairly hold PRA responsible for the time it took B to provide everything. And I'm satisfied they did all they could to get the information to Mr B as soon as they were able. The delays may have meant that the debt was temporarily unenforceable, but I'll cover that under a separate heading.

Deed of assignment

Mr B has said he needs this to be satisfied that the debt has been transferred. But I don't agree.

CONC 6.5.2 says:

Where rights of a lender under a regulated credit agreement are assigned to a firm, the firm must arrange for a notice of assignment to be given to the customer...as soon as possible.

I also note that Section 82A of the CCA says that where a creditor's rights under a regulated consumer credit agreement are assigned, then the assignee (in this case PRA and later P) must arrange for NOAs to be given to the debtor. I am satisfied joint NOAs were provided both times the account was sold on.

I think Mr B has enough information to know that the debt was sold. I don't think it is necessary for PRA to produce the original deed to prove this. I say this because I've seen nothing in the regulations to say a business must send a consumer the deed. The deed is a contract between the buyer and the seller. These contracts often refer to a number of accounts that are bought in bulk in the hundreds and sometimes thousands and so the document will not solely relate to the sale of Mr B's account.

It follows I won't be asking PRA to provide a copy of the deed to Mr B but if he wishes to continue to dispute the legal assignment of the debt, then he is free to do so in court.

True copy of CCA

Mr B has argued that the *true copy* of the CCA that PRA provided him with isn't enough to make the debt enforceable as it isn't a copy of the executed agreement as section 78 of the Consumer Credit Act 1974, say he is entitled to.

CONC 13 talks about the application of parts of the Consumer Credit Act 1974, relevant here is CONC13.1.14 which says:

- (1) The copy of the executed agreement should be a 'true copy' of the original. However, as confirmed in the case of Carey v HSBC Bank plc [2009] EWHC 3417 (QB), in this context the term 'true copy' does not necessarily mean a carbon, photocopy, microfiche copy or other exact copy of the signed agreement. There is no obligation to provide a copy which includes a copy of the signature.*
- (2) The firm can reconstitute a copy. It can do this by re-populating a template of the relevant agreement form with the details of the specific agreement taken from its records. If the firm does provide a reconstituted copy, it should explain that that is what it has done, to avoid misleading the customer that this is a contemporaneous copy.*

PRA have provided Mr B with a reconstituted copy of the CCA and that is all they are required to do. So, I am satisfied they have done enough here, and I won't be saying they need to do more.

Enforceability

Mr B has said he doesn't believe the debt to be enforceable for a number of reasons. However, I can't comment on that as I'm not able to decide the enforceability of a debt that is reserved for the court only. So, if Mr B would like a definitive answer on the enforceability, he would need to progress that to court.

One of the points Mr B made was about the delay in providing the documents he requested, and I said earlier I would come back to that point.

Creditors are allowed 12 days under the rules to provide this information. And I've already explained that I don't believe PRA could have done anything to get the information to Mr B any sooner. Once the time passed PRA accepted the debt was temporarily unenforceable, but whether the debt is or isn't enforceable doesn't mean liability for the debt is removed – if the debt is unenforceable, it simply means PRA couldn't at that time take the matter to court to force Mr B to repay it.

Bringing everything together I'm satisfied that PRA have treated Mr B fairly when pursuing him to pay the outstanding balance on the account and when dealing with his dispute of the debt. It follows I won't be asking them to do anything different here to put things right for Mr B.

I realise Mr B's strength of feeling and understand the outcome I have reached will be a disappointment to him but I hope my explanations have helped in understanding why I have reached the outcome I have.

My final decision

For the reasons set out above my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 25 April 2025.

Amber Mortimer
Ombudsman

