

The complaint

Miss C complains that PRA Group (UK) is unfairly reporting adverse information to Credit Reference Agencies ("CRAs").

What happened

Miss C held a credit card account with a bank I'll refer to as "B". She experienced some difficulty in maintaining repayments, and in late 2023, the account defaulted. PRA then bought and took over management of the debt from B in July 2024.

In early 2025, Miss C raised a formal complaint. She said that in addition to the default recorded by B, she now had a further default recorded by PRA. She said it was wrong for two defaults to be showing for the same item, and as a result, it had negatively impacted her. Specifically, she had experienced issues trying to obtain a mortgage and incurred additional associated costs.

PRA reviewed Miss C's complaint, but they said they were satisfied that the information they had provided the CRAs was correct. They said that they had reported a default date of October 2023, and a default satisfied date of August 2024. And they said that the default they registered was not a new entry, but was a continuation of the original default they had taken over from B. They said that if Miss C had any further concerns with how information was showing on her credit file, that she should speak with the third-party company she'd accessed her credit information from.

Unhappy with PRA's response, Miss C brought her complaint to our service.

An investigator considered Miss C's complaint, but ultimately, didn't recommend that it was upheld. He said that it wasn't uncommon for both the original lender ("B"), and the new debt purchaser ("PRA"), to report the debts against a customer's credit file. And from what he'd seen, he was satisfied that PRA were recording the debt correctly. So, he didn't think they needed to do anything further.

Miss C remained unhappy with the investigator's findings. So, the case has been passed to me, an Ombudsman, 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.

When reviewing Miss C's concerns, I'm purely looking at Miss C's complaint against PRA, and won't be commenting on the findings of any other decisions in relation to this matter. But I have reviewed the content of Miss C's complaint against B for completeness, to ensure that a thorough review of all the circumstances surrounding this matter are considered.

The issue in question here, when looking at the complaint against PRA, is whether or not they reported accurate information to CRAs.

Miss C has queried the some of the dates for which the adverse information has been recorded, and says that the default has been recorded twice, once by B, and then again later, by PRA.

PRA have provided information that shows that the start date of the credit card, initially taken out with B, began in November 2019. It also shows that the item of credit defaulted in 2023. Which is the same information that B appear to have reported to the CRAs also. So, on the face of it, the dates in relation to this item appear to be correct.

I've also seen evidence from three of the main CRAs that their records also reflect these dates. So, while I appreciate Miss C seems to be experiencing some issues with information she is receiving from a specific third-party online platform - where she's viewing her credit information - the issues she's experiencing here don't appear to be as a result of any wrongdoing on PRA's part. And from what I've seen, the information PRA have recorded seems to be accurate.

I'm aware that Miss C is concerned that the default has been recorded twice, and she has said this has had an impact on a mortgage application she's made.

I'm sorry to hear of the difficulties Miss C has experienced, but I must look here at the actions of PRA when considering this complain.

B, when transferring the debt to PRA, set out that:

• PRA Group (UK) Limited will create a new entry and start sending updates to credit reference agencies.

So, I'm satisfied that Miss C was made aware that a new entry would be added by PRA.

Also, the Information Commissioner's Office ("ICO"), who set out the standards for the reporting of arrears, have a section on their website relating to credit. It can be found at <https://ico.org.uk/for-the-public/credit>.

There is then a sub-section that sets out the very scenario Miss C is experiencing. It states:

"One of my defaulted accounts has been sold on to a debt collection company. This debt is now appearing twice on my credit file. Is this right?"

If it is clear from looking at the two entries that they relate to the same account, with the same default date and balances and the original debt is clearly showing as settled then it is likely that we would consider this to be fair in terms of the data protection law. However, if the entries are recorded on your credit file in a way that may look like they are two different debts, or that could make the debt remain on your credit file for longer than six years from the date of the original default it is unlikely that we would consider this to be fair."

The information that is recorded with the credit reference agencies, appears to set out the same key dates and balances in relation to the item of credit that has been defaulted. And there's nothing to suggest that one of the defaults would remain on her credit file for longer. To the contrary, both records of the debt – B's and PRA's – are showing as satisfied. And Miss C, by her own admission, accepts that a default did occur.

So, taking into account both the information provided by B at the time of the debt transfer; and the information set out within the ICO's guidance on this subject, I'm satisfied that PRA have not treated Miss C unfairly in the way in which they have reported information to CRAs.

I can also see that PRA, shortly after taking on the debt, recorded the default as satisfied. So, it appears that no further monies are owed in respect of the default.

I'm sorry to hear that Miss C has experienced these difficulties, and I appreciate this has been a frustrating matter for her, especially during what appears to be a difficult time. But the decision I need to make is whether or not PRA have treated Miss C unfairly. And, on balance, given PRA's requirement to report accurate information the CRAs; and, when taking into account the ICO's guidance on this matter, I can't conclude that the PRA have treated Miss C unfairly in this regard.

Miss C may find it useful to present a copy of this decision to future creditors, that might be concerned about the two entries on her credit file. But for clarity, I'm satisfied that the defaults, in relation to the debt previously owed to B, and the debt previously owed to PRA, as well as now being satisfied, are one and the same.

My final decision

My final decision is that I do not uphold Miss C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 13 June 2025.

Brad McIlquham
Ombudsman