DRN-5555297

The complaint

Ms B complains PRA Group (UK) Limited:

- Failed to consider her personal and financial circumstances
- Are reporting information to the Credit Reference Agencies (CRAs) incorrectly
- Have engaged in unfair collection practices

What happened

Ms B is complaining about two accounts PRA are servicing – I'll refer to them as account N, and account V.

The Notice of Assignment (NOA) for the account taken out with N says N sold Ms B's account on 17 April 2020. The letter confirms it was sold to PRA. At the time, PRA acted as the debt purchaser. The account has since been sold to another debt purchaser, but PRA have remained involved as the debt servicer. The NOA is dated 5 May 2020.

The NOA for the account taken out with V says V sold Ms B's account on 15 April 2024. The letter confirms it was sold to a debt purchaser, who asked PRA to act as the debt servicer for the account. The letter is dated 26 April 2024.

In an email of 6 September 2024, Ms B told PRA of her personal and financial circumstances – which contained very sensitive information. She feels PRA failed to adjust their approach to collections or offer proper support given the severity of what she told them. She's quoted rules from the regulator the Financial Conduct Authority's (FCA) Consumer Credit Sourcebook (CONC).

In respect of the information being reported to the CRAs, Ms B said account N is unenforceable, and PRA is duplicating the defaults of both account N and V. Ms B said this was in breach of CONC.

Ms B also said PRA had continued pursuing her for the debts, despite being aware of her circumstances, and account N being unenforceable.

I won't be listing out Ms B's personal circumstances for her privacy, as our final decisions are published on our website, but I want her to know she has my genuine sympathy for what she's experienced and continues to experience.

PRA issued their reply to Ms B's complaint on 20 March 2025 – saying they'd not contacted her since she made a Subject Access Request (SAR) on 15 January 2025. They said as part of this SAR, they'd contacted the original lender for account N to ask for documentation. PRA added this hadn't been provided, so they hadn't contacted Ms B – as such they didn't uphold this complaint point.

PRA added they could see Ms B's email of 6 September 2024 and said in response they'd held her account for 30 days and signposted her to support organisations. They said there hadn't been any contact before this, so felt it was a fair response to the points raised. And in respect of the defaults, they said as they'd now taken over the accounts it was their responsibility to report a default against her credit file. PRA group confirmed, at the time of their reply, account N was unenforceable as the documentation hadn't been provided to them, in order to share with Ms B.

In a later complaint, Ms B raised concerns PRA hadn't fully complied with the requirements of providing the SAR. PRA said they had, and Ms B wasn't entitled to a copy of the Deed of Assignment (DOA) that she'd asked for.

Unhappy with PRAs reply, Ms B asked us to look into things – saying she'd like PRA to correct her credit file, award compensation, cease collection activity and acknowledge their breaches of the FCA rules and the Consumer Credit Act 1974.

As part of our standard approach, we asked PRA for their file – which they provided – and also told us on 5 May 2025 account N was now considered enforceable. No further information had been provided, but they'd reviewed their position and said the account was always enforceable – it was in error they said it wasn't.

One of our Investigators considered things, but overall didn't think PRA had done anything wrong.

Ms B didn't accept this. I've summarised what I consider to be the key points Ms B has made, using my own words:

- We said a 60 days pause on collection activity was enough to deal with what she was going through which shows a gross misunderstanding of trauma.
- We've endorsed unlawful contact by PRA by allowing them to withhold the DOA, rely on documents which are incomplete or missing and to continue reporting a disputed debt.
- The duplicate defaults aren't justified, we didn't ask for the SAR evidence, ignored the existence of ongoing complaints with other bodies and misrepresented the dispute.

In a more recent response, Ms B has referred a number of laws and regulations – including how our service is required to decide complaints. As Ms B didn't agree with our Investigator, the complaint has 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 think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Ms B's complaint in less detail than she has. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. 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 I think it's relevant to the crux of the complaint.

I have noted Ms B's comments about the various laws she's referred to – and in short I agree with her that I'm required to decide this complaint based on a fair and reasonable basis.

Are PRA acting fairly in asking Ms B to repay the debt

Ms B disputes these debts belong to her and asked PRA to provide evidence they did.

PRA provided documents for the account with V, and eventually received some documents from N. Initially, PRA said the account with N was unenforceable. But, on reviewing matters after Ms B had referred the complaint to us, decided it was enforceable after all.

I should make it clear I can't decide whether an account is enforceable or not – only a court can do that.
But, where a consumer disputes a debt, I'd expect the debt company to contact the original lenders and gather information about the accounts they're asking the consumer to repay.

That's what PRA did in Ms B's case and responded to both accounts on 5 February 2025.

For the account with N, the below documents were sent to Ms B:

- The terms and conditions of the account - which is addressed to Ms B at the same address she's given to our service
- A default notice – in Ms B's name and address
- Statements from March 2019 to February 2020 – again in Ms B's name and address
- A copy of the credit agreement

For the account with V the below documents were sent to Ms B:

- A statement of the account – which is addressed to Ms B at the same address she's given to our service
- A copy of the credit agreement

It's unclear to me why PRA thought the account with N was unenforceable – but as I can't decide that, I also can't decide if they were right or wrong to tell her this. But, I don't think that has an impact on Ms B's case.

I say that because CONC 7.15.1 says:

A debt is statute barred where the prescribed period within which a claim in relation to the debt may be brought expires. In England, Wales and Northern Ireland, the limitation period is generally six years in relation to debt. In Scotland, the prescriptive period is five years in relation to debt.

And CONC 7.15.2 says:

In England, Wales and Northern Ireland, a statute barred debt still exists and is recoverable.

So, in theory, PRA could have continued to ask Ms B to repay the debt if it was statute barred. And whether an account is enforceable or not relates to whether PRA could take court action. All of that doesn't mean the debt doesn't exist, and because the debt continues to exist it's fair and reasonable for PRA to ask Ms B to repay it.

I have noted Ms B's concerns about how PRA have treated her when asking her to repay the debt, but I'll come back to that at the end.

The DOA

Ms B says PRA are required to provide the DOA to prove the account has been legally transferred to them to collect.

PRA say this is a commercially sensitive document between the debt purchaser and the previous seller – so this isn't something they're required to share with Ms B. They explained this when replying to Ms B's SAR.

I'm aware there are some court cases which other consumers have said decided a consumer is entitled to see the DOA – and there are other court cases which businesses say decided a consumer isn't entitled to see the DOA.

With that in mind, I don't think it'd be reasonable for me to say Ms B is automatically entitled to a copy of the DOA.

I'd also expect debt purchasers to have sought legal advice on this point as it's one that comes up regularly, and it seems likely to me debt purchasers wouldn't continue to deny their customers access to this document if the law said they were required in every case to provide it.

In addition, the FCA sets out what's expected of financial businesses in the Consumer Credit Sourcebook (CONC) rules. CONC 6.5.2 says:

(1) Where rights of a lender under a regulated credit agreement are assigned to a firm, that firm must arrange for notice of the assignment to be given to the customer:
(a) as soon as reasonably possible; or
(b) if, after the assignment, the arrangements for servicing the credit under the agreement do not change as far as the customer is concerned, on or before the first occasion they do.
[Note: section 82A of CCA]

(2) Paragraph (1) does not apply to an agreement secured on land.
(3) A firm may assign the rights of a lender under a regulated credit agreement to a third party only if:
(a) the third party is a firm; or
(b) where the third party does not require authorisation, the firm has an agreement with the third party which requires the third party to arrange for a notice of assignment in accordance with (1).

Given all of the above information, I'm not satisfied Ms B's request for the DOA is one PRA are required to fulfil – if they were, I'd expect the FCA to say so. And I've noted Ms B did a SAR where the DOA wasn't included which PRA explicitly commented on.

So, if Ms B wants to and hasn't already, she can complain to the Information Commissioner's Office (ICO) about this specific issue. I have noted Ms B said she's got a complaint in with the ICO, but it wasn't clear what that complaint is about. The ICO are the body responsible for data protection and may be able to tell Ms B definitively if she's entitled to the DOA or not. If she remains unsatisfied with my answer, and potentially the ICO's if she refers this matter to them, then Ms B may wish to seek legal advice about his next steps.

I have also noted Ms B's comments that we've not taken into account her complaint with ICO or a credit reference agency (CRA). But, any outcome of those complaints would be a new

point, which PRA would have to be given a chance to comment on first by Ms B making a complaint to them – with reference to the new information. For that reason, I don't think it's necessary to wait for the outcome of those cases / take into account what's been said. Although Ms B has said we haven't taken them into account, she's not provided us with outcomes – so I assume she's waiting for those outcomes at this point.

PRA have provided copies of the NOAs sent to Ms B for each account. This is a standard document when a debt is sold from one owner to another. There isn't anything obviously wrong with the NOAs, and they contain all of the usual information I'd expect. So, in the circumstances, I don't think there's any reason not to rely on them. As such, I'm satisfied by sending the NOA – combined with the documents from N and V I've mentioned above – it's reasonable for PRA to contact Ms B about these debts and ask her to repay them.

Are the defaults being reported fairly

Ms B says when PRA took over the two accounts they also began reporting a default – which meant there were four defaults on her credit file which she said can't be right.

PRA said when the accounts were assigned to them, they took over the responsibility of reporting the defaults. They said the original defaults were updated to show they'd been assigned to PRA, and they're recognised as a continuation of the defaults from N and V. What PRA have told Ms B is correct – if it's clear they're continuing to report the default previously reported by the original lenders – then it's ok for them to do this. This is confirmed by the ICO on their 'Credit' page under the 'FAQs', which says:

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.

So, I need to look at Ms B's credit file, to make sure PRA are reporting the default in line with what the ICO have said.

For account N I can see N seem to have removed any of their reporting – so only PRA's entry appears – which is fair.

For account V I can see they marked the account as satisfied on 30 April 2024 with an outstanding balance of £418 and a default date of 4 March 2020. PRA's entry shows a start balance of £418 and a default date of 4 March 2020. So, I'm satisfied PRAs entry is clearly a continuation of V's entry.

In light of the above, I'm satisfied PRA aren't doing anything wrong regarding Ms B's credit file.

Have PRA treated Ms B fairly in their contact with her

Ms B says PRA haven't shown her proper forbearance as they're required to in CONC.

PRA say they have treated her fairly and sensitively during their dealings with her.

I've already found PRA generally have a legitimate reason to believe the debt belongs to Ms B – so have a reasonable expectation that she repays the outstanding balances.

Given the event that happened in Ms B's life I absolutely agree she needed to be treated as vulnerable – and supported. But, that doesn't automatically mean PRA shouldn't contact Ms B at all – so the question is whether they handled things fairly based on the information they knew. The CONC rule Ms B means when she refers to forbearance is CONC 7.3.5 which I'll also take into account. This says:

Examples of treating a customer with forbearance and due consideration would include the firm doing one or more of the following, as may be appropriate to the customer in the circumstances:

(1) suspending, reducing, waiving or cancelling any further interest or charges (for example, when a customer provides evidence of financial difficulties and is unable to meet repayments as they fall due or is only able to make token repayments, where in either case the level of debt would continue to rise if interest and charges continue to be applied);
[Note: paragraph 7.4 (box) of ILG]
(2) allowing deferment of payment of arrears:
(a) where immediate payment of arrears may increase the customer's repayments to an unsustainable level; or
(b) provided that doing so does not make the term for the repayments unreasonably excessive;
(3) accepting no payments, reduced payments or token payments for a reasonable period of time from a customer who demonstrates that meeting the customer's existing debts would mean not being able to meet the customer's priority debts or other essential living expenses;
(4) agreeing a repayment arrangement with the customer that allows the customer a reasonable period of time to repay the debt;
(5) transferring the debt to an alternative credit agreement (refinancing) to help the customer reduce the debt over a reasonable period of time in such a way that does not adversely affect the customer's financial situation;
(6) in relation to a firm that takes any article in pawn under a regulated credit agreement:
(a) where the redemption period has not ended, extending the redemption period; or
(b) where the redemption period has ended, refraining from giving the customer notice of intention to sell an item of pawn for a reasonable further period, or if notice of intention to sell has been given, suspending the sale for a reasonable further period.

By the time of Ms B asking for help, her accounts were already in default – so options 1, 2, 5 and 6 weren't relevant to her circumstances.

That leaves options 3 and 4 – which I'll factor in.

In her email of 6 September 2024 Ms B explained what had happened, and asked to be left alone.

In response, PRA said they'd put a 30 day hold on the account which would put a stop to any contact with them. They also signposted Ms B to a charity which may have been able to support her.

After the 30 days, as PRA said they would, they then got back in touch with Ms B asking her to contact them to discuss the debt.

Between 9 October 2024, and 15 January 2025, PRA did try and reach Ms B but had no success. She didn't reply to any of their contacts.

I won't pretend I understand how Ms B was feeling during this time – as I just can't know. But it seems this is the key period Ms B is concerned about – as after this time I can't see that PRA asked Ms B to get in touch with them for any reason other than her complaints and her SAR.

I think I can say I understand from a theoretical perspective why Ms B wouldn't want to be contacted by PRA during this period – and I have a significant amount of sympathy for her during this time. But, I can't ignore that PRA do have a legitimate reason to contact Ms B.

I also can't ignore that although PRA were asking Ms B to get in touch – over a four month period she didn't contact them at all. During this time, there were no plans in place for the repayment of the legitimately owed debt.

In thinking about PRAs actions, they initially gave Ms B a month and then got back in touch. Given they were contacting Ms B about something I'm satisfied she does owe, this doesn't seem unreasonable. Ms B hadn't expressly asked for longer, and although I've no doubt the contact from PRA wasn't welcome from Ms B's perspective I don't think I can say it was unfair.

In deciding that, I have factored in reasons 3 and 4 from CONC 7.3.5 which both talk about engagement from the consumer to reach an agreement. I won't judge Ms B for her lack of engagement given what she'll have been going through at the time – but CONC does quite strongly suggest for forbearance to apply the customer does have to work with the business to agree a plan – something PRA hadn't managed to agree with Ms B.

PRA had outstanding debt for two accounts, there were no repayment plans in place for them, and Ms B had been given a hold for 30 days, but then they didn't hear anything for four months. In the circumstances, I can't fairly say PRA shouldn't have contacted Ms B.

My final decision

For the reasons I've explained above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 12 August 2025.

Jon Pearce
Ombudsman