

## **complaint**

Mr L complains that PRA Group (UK) Limited ("PRA") pursued him for a debt he does not owe and cannot afford, pressured him into setting up a standing order to pay it, failed to send him evidence that he owed the debt, and failed to address his complaint.

## **background**

In December 2017 PRA sent Mr L a letter saying that he owed it over £8,000 in respect of a credit card. He replied to say that he could not afford the debt, due to being unemployed and in poor health. He also said he did not recognise the debt, and asked PRA to send him evidence to prove he owed it, including the credit card agreement and statements, and all other relevant documents. He claimed he had been pressured in a phone call by PRA's recovery agents into setting up a standing order to PRA. He asked for a letter of apology and £50 compensation for stress.

In February 2018 Mr L brought this complaint to our Service. He repeated his concerns, and also said that he had not received a response from PRA. He asked for a letter of apology from PRA and £100.

PRA provided our service with a copy of a final response letter dated 22 January 2018 and addressed to Mr L; a copy of a credit card agreement between Mr L and a third party, dated July 2002; a list of credit card transactions between August 2002 and November 2010; a 2012 letter to Mr L informing him that Aktiv Kapital (UK) Limited (a former name of PRA) had bought the debt; and PRA's account notes and payment history. PRA denied that it or its agents had ever contacted Mr L by phone before he complained.

Our investigator did not uphold this complaint. She said PRA's evidence showed that it had never contacted Mr L by phone, and that a payment arrangement was already in place before PRA bought the debt. She thought PRA had treated Mr L positively once he had told it about his circumstances, and had put his account on hold when he complained. She asked PRA to provide full statements so that Mr L could see just how the balance had accrued, but she thought she had already seen enough evidence to agree that Mr L did owe the debt.

Mr L did not accept that decision. He insisted he could not afford the debt, because of his health and because his benefits left him with no disposable income. Since then, PRA has paid £160 to Mr L's GP to write a report about his health. On reviewing the report, PRA did not agree to write off the debt, but agreed to put the account on hold for twelve months (that was in July 2018). Meanwhile, Mr L asked for an ombudsman's decision.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. I do not uphold it. I will explain why.

The evidence I have seen, summarised above, strongly suggests that Mr L did obtain a credit card in 2002. The card number is recorded on the credit card agreement, and it matches the number on the transactions summary for the entries from the beginning up to November 2008, when the number changes. I think that must be because Mr L was issued with a new card. Mr L made frequent payments to the account, and for the first four years these payments were often considerable. But from late 2006, the payments became smaller,

and from June 2010 he began making token payments of £1 a month. The account was sold in November that year.

It was sold again to PRA in 2012, when it had another name, Aktiv Kapital. I've seen Aktiv Kapital's letter to Mr L – at his current address – dated 27 April 2012, notifying him about this. The account balance on the letter almost matches the closing balance in November 2010: it is exactly £15 less, which is to be expected, after 15 monthly payments of £1. So I accept that the debt PRA now owns originated with the credit card Mr L had in 2002.

I have seen Mr L's annual account summary for 2014, correctly addressed, in which PRA told him it had changed its name, and told him the same of its collection agency. So I'm satisfied that PRA kept him informed about who owned his debt, and who was administering it.

I haven't seen a statement with a running balance, so I haven't verified whether the outstanding balance is the correct figure, or investigated how that much debt was incurred. Our investigator asked PRA for this, but PRA only has statements for the period since it bought the debt. It would be possible to verify the balance figure by adding up all the credits and debits in the 11-page transactions summary, which covers the period from 2002 to 2010, since when the only transactions have been token repayments. But there is no need for me to do that. (Mr L can do that if he wishes to.)

If Mr L remains dissatisfied and requires more documents than PRA has already provided, he may raise this with the Information Commissioner's Office, whose details have been provided to him already. It's not within my remit to deal with that.

PRA's account notes do not show any telephone contact with Mr L until he complained in December 2017. PRA did try to phone him, but never got through to him. PRA's collections agency has also denied that it ever spoke to him by phone. He was making payments to the account for years before PRA bought the debt, starting in August 2002. So I don't accept that anyone pressured him into making payments, in a phone call or otherwise. He has paid nothing but £1 token payments since 2010, two years before PRA became involved.

I think that PRA has treated Mr L positively and sympathetically since it took over the account. It has only taken token payments from him so far, and it has exercised forbearance. It paid for his GP's report. I think it has done enough, and it is not obliged to write off the debt.

### **my final decision**

So my decision is that I do not uphold this complaint. My final decision concludes this Service's consideration of this complaint, which means I'll not be engaging in any further discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 11 November 2019.

Richard Wood  
**ombudsman**