

complaint

Mr B complains that PRA Group (UK) Limited (the business) is pursuing him for repayment of a debt which is not his. He complains that he has contacted the business many times about this but not received any replies.

background

Mr B complains that the business is chasing him for a debt that he disputes. He says that he has contacted the business on a number of occasions about this but it is still pursuing him. He says the business has agreed it has no paperwork to validate the debt and that it is not legally enforceable but it keeps chasing him for payment.

Mr B says this issue is causing him stress and affecting his health.

The business says that it acquired the debt in 2014 at which time there was an outstanding balance of over £11,000. In its letter to Mr B it said that because it has not been able to obtain any documentation the debt is not legally enforceable. But it says that the balance is still recoverable and that Mr B will be contacted by its collections department.

The business also looked into whether it was reporting a default on Mr B's credit report and found it was not.

The adjudicator said that the business had not provided anything that could confirm the debt belonged to Mr B. He said that although the business had acknowledged there is no copy of documentation he would have expected to see internal notes and account statements to support the business' claim but these have not been provided. He said that the information provided by the business about a payment did not show any details of who made the payment and that Mr B said he didn't make the payment.

The adjudicator said that although the business was expecting Mr B to lodge a fraud report if he feels the account was opened fraudulently, it was the business' responsibility to prove it was chasing the correct person for the debt. He also said that the debt may be statute barred. He recommended that the business stop pursuing Mr B for the debt.

The business said that although it couldn't provide a copy of the agreement, the transactional and address history suggested it was contacting the right person. It said it would need a fraud number to be able to close the account.

my findings

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

Mr B says that he has no recollection of the debt that was acquired by the business in December 2014. He has requested copies of documents to show the debt is his but these have not been provided. The business says that it has contacted the business it acquired the debt from and that it has not been able to obtain the documents.

The business has agreed that the debt is unenforceable due to the documents not being available.

I have looked at the business' system notes and can see that it investigated what it was providing to the CRAs in regard to this debt and found it was not recording anything on Mr B's credit file. Given the business has not been able to prove Mr B is the debtor I find that it is right that no information has been added to his credit file.

The payment information suggests that someone made a payment towards this debt. However based on the information provided it is not possible to say where the payment came from. Mr B has said he did not make the payment and without further evidence I cannot say that it came from him.

In this case, evidence has not been provided to prove the debt belongs to Mr B. Based on this I do not find it reasonable that the business is pursuing Mr B for this debt.

my final decision

My final decision is that PRA Group (UK) Limited should stop pursuing Mr B for this debt.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 June 2016.

Jane Archer
ombudsman