

The complaint

Mr S complains PRA Group (UK) Limited have failed to meaningfully consider his request for his outstanding debt to be written off.

What happened

As I understand it Mr S had a credit card with a provider I'll refer to as B. The account was sold to PRA on 16 October 2023 with an outstanding balance of £1,242.31.

Mr S wrote to PRA asking them to write off his debt. He explained his financial circumstances and health situation. Mr S felt PRA's actions, or their lack of actions, breached their obligations to treat vulnerable customers fairly. He said PRA have significantly impacted his mental health – and has provided evidence of multiple contacts to PRA asking for a clear explanation of why they wouldn't write off his debt. Initially, PRA said they'd asked B if they wanted to take the debt back, given Mr S' medical conditions, but B said no. Mr S questioned how this would actually help him, and continued pursuing the matter.

I thank Mr S for sharing sensitive details regarding his health – I haven't mentioned them in detail for his privacy, as this final decision is published on our website.

PRA said they'd considered Mr S' request for his account to be written off carefully, but having done so didn't think they'd done anything wrong by turning it down. In respect of their efforts to pass the account back to B, they said this had taken into account Mr S' health. In a later response PRA said they didn't have an understanding of the longer-term prognosis of Mr S' medical condition. In their responses PRA accepted their communication wasn't as good as it should have been, and paid £50 to Mr S in recognition of this.

Unhappy with this Mr S asked us to look into things. One of our Investigators did so, and ultimately found PRA had acted fairly in not writing off the debt, and felt the £50 was fair for the communication issues.

Mr S didn't accept this – referring to the Financial Conduct Authority's (FCA) rules set out in the Consumer Credit Sourcebook (CONC). In summary using my own words, he said:

- His complaint centres on whether PRA took appropriate action in line with CONC 7.3
- He also raises concerns about PRA's lack of engagement and failure to explore any of the forbearance options in CONC 7.3.5
- He doesn't think his vulnerable status has been properly taken into account
- The vast majority of other creditors wrote off his debt when receiving the same information

Mr S said he wanted to refer his complaint to an Ombudsman – and he specifically wanted an answer to the following questions:

- *How did PRA Group specifically consider my individual circumstances, and what actions did they take as a result? Please provide evidence of these considerations.*

- *What specific forbearance measures, as outlined in CONC 7.3.5, were explored by PRA Group? Please provide evidence of these explorations.*
- *How does PRA Group's inaction, in the face of my vulnerability, comply with the requirements of CONC 7.3?*
- *What specific evidence did you review that led you to believe my request was meaningfully engaged with, despite my own findings to the contrary when reviewing my personal data?*

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'd help to firstly list out what the relevant sections of CONC say:

CONC 7.3 Treatment of customers in or approaching arrears or in default (including reposessions): lenders, owners and debt collectors

CONC 7.3.5 G 04/11/2024 RP

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:

And goes on to list six different possible options for forbearance.

I can't see that any of these apply to Mr S' situation – as he was asking for the debt to be written off and the write off of debt doesn't appear to be listed in CONC as Mr S has suggested. I'm also not aware of any other regulatory requirement for a financial business to consider a write off. But whether it's in CONC or not, Mr S is entitled to ask for his debt to be written off – though that doesn't automatically mean it will be or that it's reasonable to say it should be.

Generally speaking, I'd expect a business to consider writing a debt off if the consumer's financial situation shows they can't currently afford their bills, and their medical evidence and / or wider circumstances show they're unlikely to be able to improve their financial situation in the future.

When Mr S completed an income and expenditure with PRA it showed he had minus £20 per month. So, clearly, he can't commit to a repayment plan unless his financial situation changes.

As such Mr S' financial circumstances would, I think, be sufficient for a write off, but next I need to consider the doctor's evidence.

The doctor's evidence says they reviewed Mr S in December 2023 and he was actively looking for a job at the time. And none of the medical evidence provided by Mr S suggests he'd be unable to get another job. I consider by including this information, it quite strongly suggests Mr S may be in a position to improve his financial circumstances – because he may be able to get a job.

So, pulling this together, I'm satisfied Mr S' financial circumstances could mean it'd be fair and reasonable to write off his debt – but his health conditions don't.

I realise how disappointed Mr S will be, and I want him to know I've taken into account what he's told us about his health. But, without sufficient evidence it simply wouldn't be fair to

require PRA to write off a debt which Mr S may be able to repay in the future – even if other companies have taken that decision.

If Mr S' circumstances change in the future then he'd be entitled to again ask PRA to consider writing the debt off at that point.

I have noted Mr S' comments about PRA discriminating against him.

This service is unable to make findings on whether something constitutes discrimination as per the Equality Act. This is because we're an informal, free alternative to the courts and only a court of law can make a legal finding based on the definitions set out within the Act. But, I can consider whether a business has acted in a fair and reasonable manner. And in order to do that, I will take a number of things, including the Equality Act 2010, into consideration.

Having considered how PRA treated Mr S, I can say I'm satisfied taking into account all of the information provided that he's been treated fairly and in line with how I'd expect any other consumer with the exact same circumstances to be treated.

I'm aware there was poor communication from PRA – and I agree with Mr S their comment about asking B if they'd take the account back for his benefit didn't make sense. Our Investigator asked that specific question – how would this help Mr S – and PRA said sometimes the original lender will take the account back and write the debt off. And indeed, PRA asked B if they were willing to take the account back and write off the debt – albeit they didn't make it clear to Mr S they'd asked if B would write off the debt.

Like other elements of PRA's communication, I think it could have been improved – but I'm satisfied the £50 already paid to Mr S reflects those failings.

Finally, I have noted Mr S' questions. But I wouldn't expect the entire decision-making process to be documented in notes – and ultimately I've decided PRA have fairly addressed Mr S' write off request – which I think addresses his specific questions.

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 Mr S to accept or reject my decision before 7 August 2025.

Jon Pearce
Ombudsman