

The complaint

Mr G complains PRA Group (UK) Limited have unfairly turned down his request to write off his debt with them.

What happened

As I understand it Mr G had a credit card account with a lender I'll refer to as B. Mr G accumulated a debt on this account through compulsive gambling and unfortunately fell into financial difficulties. B ultimately sold the account, and PRA are now servicing it.

Mr G contacted PRA sharing financial statements, a Debt and Mental Health evidence form signed by his doctor, along with a number of other documents explaining his health. Despite all these documents, PRA didn't write off Mr G's debt which he thinks is unfair.

PRA said they'd considered Mr G's circumstances but felt it was possible they'd improve in the future, so didn't think it was appropriate to write off the debt.

Unhappy with this Mr G asked us to look into things. One of our Investigators did so but didn't think PRA had acted unfairly.

Mr G didn't accept this. He provided a detailed explanation referring to a number of rules and guidance – including that PRA aren't allowed to not offer forbearance or rely on his situation improving without clear evidence. Because Mr G didn't agree to our Investigators outcome, the complaint's 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 explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered 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.

I also think it's important to explain this complaint is solely about whether PRA have or haven't treated Mr G fairly when considering his request for the debt to be written off. I wanted to make this clear, because 'how' the debt was accrued isn't something I can hold PRA responsible for – the debt accrued when the account was with B. So, if Mr G thinks B shouldn't have allowed him to spend as much as was spent, or otherwise haven't supported him, he can raise a separate complaint to them and then refer it to us if he remains unhappy.

When a debt is sold it's expected it's done so free from any disputes. So, from PRA's perspective, they wouldn't have expected there to be any issues with the account – but if an issue is raised then they'd need to investigate it. From what I can see, they've done that by considering Mr G's request for the debt to be written off and not asking him for repayment of the debt since he made the request.

Thinking about the debt write off request then in general terms there are no requirements written anywhere which says in specific circumstances a company has to write off a debt. I have taken into account all of the guidance Mr G has referred to, though I've not explicitly referred to each element of it. And, ultimately, I'm required to decide if PRA have fairly and reasonably turned down Mr G's request for his debt to be written off as I can see Mr G understands.

Typically, it'd be reasonable to write off someone's debt where they can't afford to pay anything, and there is no reasonable prospect of them ever being able to. This might be because someone's health is such that they can never work again.

PRA have said they think there is a possibility Mr G's circumstances could improve in the future. They elaborated by explaining they'd seen Mr G blocking himself on gambling sites for five years, and that he was trying different medication to improve his health. I think these are fair observations based on all the information Mr G has provided.

I've not described Mr G's health conditions in any detail, as this decision is published on our website. But I'd like Mr G to know I've taken what he's said into account when deciding the outcome of his case.

As I've said above, I'm assessing whether PRA's reasons for turning down Mr G's request is fair and reasonable – and I think it is. I don't think it's unreasonable for them to think it's possible matters may improve for Mr G in the future.

I'm aware Mr G strongly disagrees with this reasoning – quoting from the vulnerability guidance published by the Financial Conduct Authority – which he's said means PRA have to show him forbearance. And also means PRA shouldn't be saying his condition might improve in future unless there is clear evidence it could.

I've taken into account what he's said about this, but I don't think this changes anything. I say that because PRA have offered Mr G forbearance in the form of a hold for the next 12 months. And I think there is enough evidence to suggest matters *could* improve for Mr G in the future. Whether they do or not I can't know that, and if matters don't improve for Mr G then he'd be entitled to ask PRA to consider writing the debt off again.

I'm aware Mr G has said other creditors have written off debts with them, so PRA's decision is outside the reasonable range of responses for medically induced debt. I can completely see where Mr G is coming from – but we consider each case on its individual merits. So, just because other creditors have written off his debt doesn't mean everyone else should – or that PRA have done anything wrong by not doing so.

To be clear, I've no reason to doubt anything Mr G has said about how this debt accrued or how his health has impacted matters for him. He has my genuine sympathy for the extremely difficult situation he's found himself in through no fault of his own. But, as PRA bought a validly owed debt, they're not responsible for the how the debt accrued, and I think they've fairly responded to his request for the debt to be written off taking into account all the circumstances, I don't think they've done anything wrong.

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 G to accept or reject my decision before 4 March 2026.

Jon Pearce
Ombudsman