

## **The complaint**

Mr T complains J D Williams & Company Limited (trading as “Home Essentials”) should have done more to support him through his health and financial difficulties.

## **What happened**

Mr T opened a personal credit account with Home Essentials in February 2022 and purchased several items on the account until October 2023.

In June 2023 Mr T suffered a stroke and was signed off work. Around the same time his home flooded. The combination of reduced income and unexpected costs led to financial difficulties. And in June 2024, he asked Home Essentials to consider writing off his balance.

To consider his request, Home Essentials asked Mr T to provide a letter from his doctor explaining how his health affected his finances. On 25 November 2024, it placed a 28-day hold on his account to stop further interest accruing and to give him time to provide a letter.

In November 2024, Mr T supplied a doctor’s letter confirming he was out of work because of the stroke, that he was on medication for his mental health, and he might have a heart murmur. The letter also said he was receiving Universal Credit and a Personal Independence Payment for his mobility needs.

On 1 December 2024, Home Essentials asked for a detailed financial statement so it could gain a full understanding of Mr T’s income and expenditure. It referred him to a free debt-advice charity to help him complete the statement if needed.

Mr T did not provide a financial statement. He indicated to Home Essentials that he was willing to give financial information to the Complaints Team he had been dealing with, not to its Recoveries Team. Additionally, he felt he already provided enough information to justify a debt write-off. Home Essentials didn’t agree. So in December 2024, Mr T referred the issue to the Financial Ombudsman Service.

In the meantime, Home Essentials placed two further 28-day holds on his account — on 13 January 2025 and on 11 February 2025 — after Mr T said he couldn’t pay priority debts.

Our investigator didn’t uphold his complaint. In summary, she thought it wasn’t unreasonable for Home Essentials to ask for detailed income-and-expenditure information before deciding what further support was appropriate. Based on the information available, she considered the support it had put in place was in line with what she’d expect a responsible lender to do.

Mr T wasn’t happy with the outcome. He did not provide any new evidence or comments but asked for his complaint to be looked at by an ombudsman.

## **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'm aware I've summarised this complaint briefly and in my own words. No discourtesy is intended by this. Instead, I've focused on the points that go to the heart of the matter.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I'm brief here because I agree with our investigator's outcome for broadly the same reasons she gave. There's very little I can add beyond what she has already said.

Home Essentials has certain regulatory obligations, especially under the Financial Conduct Authority's Consumer Credit Sourcebook ("CONC") under CONC 7. The most relevant provisions include:

- CONC 7.3.4

"A firm must treat customers in or approaching arrears or in default with forbearance and due consideration."

- CONC 7.3.5

"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...
- (2) allowing deferment of payment of arrears...
- (3) accepting no payments, reduced payments or token payments for a reasonable period of time..."

The list of examples under CONC 7.3.5 go on and the list isn't exhaustive.

- CONC 7.3.5B

"A firm must take all reasonable steps to ensure that any repayment arrangements agreed with customers...are sustainable."

- CONC 7.3.5C

"(1) A repayment arrangement is unlikely to be sustainable if it has the result that the customer cannot meet their priority debts and essential living expenses..."

- CONC 7.3.5D

"Where a firm assesses income and expenditure, it must do so in an objective manner."

- CONC 7.3.5E

"When complying with CONC 7.3.5D:

(1) the assessment should be informed by sufficiently detailed information...”

In short, once Home Essentials became aware of Mr T’s financial difficulties, it needed to treat him with forbearance and due consideration and support him appropriately. That might include, for example, suspending interest and charges.

I appreciate Mr T believes that for his circumstances the right outcome was a write-off. While a debt write-off isn’t listed in the CONC rules as an example of forbearance, I accept it can be an appropriate measure in some cases.

The rules also make clear that Home Essentials is entitled to ask Mr T for a detailed assessment of his income and expenditure where appropriate. Such an assessment is often crucial for working out how Home Essentials can best accommodate Mr T’s situation — for example, it can help ensure any repayment plan it agrees to is affordable and sustainable.

I recognise Mr T’s medical documents already provide a lot of information about his medical and financial situation. That includes, for example, government documents that imply he’s unlikely to return to work for some time. However, although those documents indicate his total income likely decreased, they don’t set out his expenses and other financial commitments. So I don’t think it was unreasonable of Home Essentials to ask for more detailed financial information before agreeing to more considerable support measures.

Mr T says he later gave details about his income and expenses over the phone. So even if the medical information he provided initially was insufficient for justifying extra support measures, the financial information he provided later should have been.

After listening to the available call recordings, I suspect Mr T is referring to information he provided to the Recoveries Team between January and February 2025. During those calls, Mr T explained that although he had no outstanding gas or electricity bills, due to those utilities being paid for on a pay-as-you-go basis, he was behind on other priority debts such as council tax, water, and rent — for which he was attempting to set up repayment plans.

I appreciate Mr T might have thought his remarks about being behind on priority bills was enough for Home Essentials to carry out a detailed financial assessment. But I don’t find this information was sufficiently specific or comprehensive to amount to a financial statement.

After reviewing the available transactions, correspondence and system notes up until April 2025, and considering the limited information Home Essentials had about Mr T’s finances, I find that Home Essentials has treated Mr T with forbearance and due consideration in that time, for the following reasons:

- The transactions history from February 2022 until June 2024 show Mr T made several purchases and repayments. I don’t think there was any indication Mr T was in any financial difficulty until he told Home Essentials in June 2024 that he was. At that point, I find Home Essentials acted quickly to gather the information it needed to work out how to best support Mr T.
- I find the 28-day hold it placed on Mr T’s account in November 2024 to be a reasonable timeframe for Mr T to gather further information.
- I don’t find Home Essentials acted unreasonably by asking Mr T to provide a financial statement to its Recoveries Team, despite his wish to only liaise with the Complaints Team. The Recoveries Team is best placed to assess a customer’s income and expenditure and work out the appropriate level of support for them.

- Home Essentials provided Mr T with multiple organisations that could help him with his health and financial difficulties. That included details of a free debt charity that could also help him compile a financial statement, as well access to one of its senior advisers specialising in supporting customers with health and financial difficulties. I consider the level of information and support provided to be adequate.
- As Mr T had not sent Home Essentials a financial statement, I consider the three 28-day account pauses it put in place on 25 November 2024, 13 January 2025, and 11 February 2025, to be fair and proportionate given the limited information it had.

Overall, I find Home Essentials treated Mr T fairly and reasonably and provided an appropriate amount of support based on what it knew.

That said, a fuller and more accurate picture of Mr T's income and expenditure might require a greater level of support than what Home Essentials has provided so far. Mr T may want to consider providing Home Essentials with a detailed financial statement before asking it to re-assess whether more substantial support measures are appropriate.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 29 September 2025.

Alex Watts  
**Ombudsman**