

## The complaint

Mrs M has complained about the way Home Retail Group Card Services Limited trading as Argos Card ("Argos") administered a store card account she has with it.

## What happened

The circumstances of the complaint are well known to the parties and have spanned some time. I'm not going to go over everything again in detail, but I will summarise the main points of the complaint I can consider against Argos.

Mrs M had a store card account with Argos. Mrs M contacted the Financial Ombudsman in August 2022 off the back of a final response she'd received from Argos the previous month. In summary, Mrs M said in her complaint form:

- She'd made a payment on a six month buy now pay later (BNPL) plan. The plan was set up incorrectly, so she was asked to pay the balance in full or be charged interest. Argos was closed at the time so to avoid paying interest she had to pay the balance in full.
- Once she was able to speak to Argos, she says it was agreed she'd get a refund of £100, and the balance of the plan would be set up on the original terms.
- When Argos reinstated the plan, it made a mistake which meant it overcharged her by around £400. She was ill at the time and paid it intending to call back to resolve things.
- Mrs M was very unwell between September 2021 and March 2022, and she wasn't able to raise her complaint until May 2022.
- Mrs M says Argos claimed she'd misunderstood and that it had reinstated the relevant plan correctly. Mrs M said she'd reviewed statements but came to the same conclusion she'd reached before.
- She said she was only due to repay the £100 she'd been refunded rather than around £400 that'd been added to her balance.
- She'd been told to bring the complaint to the Financial Ombudsman.

Mrs M said the impact of the mistake was that it left her short of funds. She'd not made a mistake with her Argos account before. She was upset Argos wouldn't go through her statement with her to make sure she was satisfied and understood everything. She felt like she'd been fobbed off.

To resolve things, Mrs M requested Argos provide the invoices to justify the additional charges or pay the money back with interest.

Argos' final response letter from the month before said, in summary:

- It issued Mrs M a statement in July 2021 advising her she had an outstanding balance of £846.02 which consisted of two BNPL plans:
  - £287.04 (due to expire 10 August 2021)
  - £558.98 (due to expire 10 January 2022)
- Mrs M made two payments of £287.04 in error. One of these cleared the plan due 10

- August 2022. The second reduced the plan due 10 January 2022 to £271.94.
- Mrs M asked for a partial refund of £187.04 which reduced the plan due 10 January 2022 to £458.98.
  - The plan due 10 January 2022 was therefore £100 less than the original balance.

Our investigator looked into things and queried the statements with Argos. He said from looking through things he thought the balance was correct. He referred to various refunds and balances up to when Argos sent its final response and thought it had administered the account correctly. Mrs M said she needed to check the figures with what was put back into her account.

After reviewing things Mrs M wrote to us to say she'd looked through her notes from the transactions from July 2021 onwards and said that she *can now see the statement was correct and in line with the refunds given*. She said the confusion arose because instead of only issuing a £100 refund Argos issued a refund for £287.04 on 12 August 2021 but this wasn't what was agreed. She said the issue was further confused by the agent calling her saying they'd reinstated the plan at a value of £100 less which matched the agreed refund amount. She said she didn't have the figures to hand at the time. She said Argos should have gone through things with her but didn't. She thought it was uncooperative which is why she decided to refer the complaint to the Financial Ombudsman. So her main complaint was in relation to how Argos dealt with things rather than the outstanding balance.

I issued a provisional decision that said:

*I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to resolve complaints quickly and with minimum formality. I want to assure Mrs M and Argos that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.*

*Mrs M has complained about how Argos has administered her store card agreement. This is a regulated consumer credit agreement, and our service can consider complaints relating to these sorts of agreements.*

*I first want to say I'm very sorry to hear Mrs M has been unwell. I can't imagine how she must feel, and I want to thank her for taking the time to bring her complaint to our service.*

*I think it would also be helpful to set out the boundaries of what I'm able to decide under this complaint. Primarily I'm considering the events up to the point Argos issued its final response in July 2022. This is because these are the events that Argos has had the chance to consider. A lot has happened since then. And I can see further final responses have been issued but, for the avoidance of doubt, that's not something I'm going to be commenting on in this decision because I'm dealing with the complaint Mrs M referred to the Financial Ombudsman in August 2022. The events of this complaint have been set out in the background.*

*From what I've seen, Argos' explanation of the balance seems fair. And I note Mrs M has said she agreed the statement was correct. I've also cross-referenced Mrs M's own bank statements with the Argos statements. I can see Mrs M's bank statements show two payments of £287.04 (£574.08) on 10 August 2021 and a refund of one of those payments on 12 August 2021. This correlates with Argos' statement showing a credit of £574.08 and a reversal of £287.04 on the 12 August 2021 statement it issued.*

*Mrs M's bank statement shows another payment of £287.04 on 12 September 2021 and a refund of £187.04 on 14 September 2021. This correlates with her Argos statement from 12 September 2021 setting out the same. And this is in line with a conversation Mrs M had with Argos in September 2021. The Argos agent spoke to Mrs M to try to resolve things because Mrs M wasn't happy with service from previous agents; the hold music; and with how Argos was administering the payments. It looks like Mrs M wanted to leave £100 on the account so she could pay around £100 per month to the BNPL balance due in January 2022. From what I've seen, the advisor was trying to help Mrs M resolve things off the back of her making a duplicated payment. The refund Mrs M received was what was agreed with the agent.*

*It seems like the main outstanding things for Mrs M (as far as this complaint goes) is to do with the alleged mistake made at the time of the relevant refund, and the overall support Argos gave her when she thought there might've been a problem. From what I can see, Argos compensated Mrs M £30 in September 2021, but it's not shown me an associated final response letter for this. The £30 was added as a refund on Mrs M's account, and I think this was in relation to Mrs M's complaints when trying to sort out the transactions I've mentioned above. Based on the notes I've seen, it wasn't until mid-2022 that Mrs M contacted it again to say she was unhappy, which led to its July 2022 final response. Mrs M contacted our service in August 2022 referring her complaint.*

*As I said above, Argos hasn't supplied a final response letter from September 2021. If a valid final response was sent, we may not have the power to consider a complaint about it given, generally speaking, customers have six months to refer a complaint to the Financial Ombudsman and Mrs M didn't until August 2022. It's hard to reach firm conclusions here. But I'm minded to say, if I had the power to decide matters, Argos' response to Mrs M's complaint in September 2021 was likely fair. I can see Mrs M was unhappy with how she was being spoken to and with the hold music. She was also unhappy with how her payments were being allocated. I've not been supplied a copy of the earlier calls, but it looks like Argos' agent resolved the payment issue for her. She listened to Mrs M's complaints and was courteous and passed feedback on. So, even if the service from one of the previous agents did fall below standard, I think the £30 compensation broadly acknowledges that. So unless Argos has any objections to me making that finding (given the potential jurisdiction issue) I'm minded to say it did enough in September 2021. It can let me know in response to this provisional decision if it has any objections and supply the relevant evidence such as the final response letter, if necessary.*

*Moreover, I think Argos' final response letter in July 2022 was broadly fair and set out what happened on Mrs M's account, which she's now accepted. I've not been given sufficient evidence it acted unfairly from the time Mrs M contacted it again in 2022 up to the point it issued its July 2022 final response. Given I'm only considering things up to that point, I'm not minded to direct Argos to take any further action. I hope this allows Mrs M to draw a line under this complaint.*

Argos agreed with the provisional decision. Mrs M reiterated she was unhappy she was being pushed to deal with matters. She said Argos overcharged her and deliberately made it difficult for her to get to the bottom of things, and she said she'd explained that after initially accepting the account was correct. She said it didn't assist her and that assessments have been made with incomplete information. She highlighted she was unhappy with the way complaint handlers handled calls with her.

### **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'd like to thank the parties for their responses. Once again, I'm sorry to hear Mrs M has been unwell. I have a requirement to deal with matters quickly and informally. I've set out the boundaries of what I'm able to investigate under this decision. And I've found I have enough evidence to be able to decide matters. I find I can fairly issue a final decision based on the submissions we've already received.

Ultimately, based on what I've seen, the balance of the account for the period I'm looking at seems correct, for the reasons I gave in my provisional decision. I've cross referenced Mrs M's bank statement with the Argos store card statement. I've also found that Argos broadly dealt with Mrs M's concerns fairly during the time I'm looking at. I'm not going to make any further directions.

### **My final decision**

My final decision is that Home Retail Group Card Services Limited trading as Argos Card has done enough to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 22 April 2024.

Simon Wingfield  
**Ombudsman**