

## The complaint

Mr V complains about the service he received from Home Retail Group Card Services Limited, trading as Argos Financial Services (who I'll call Argos) when he tried to set up a three month hold on his account.

## What happened

In May and June 2023 Mr V contacted Argos and tried to set up a three month hold on his account to allow him some breathing space. He's upset that while an agreement was reached to apply that hold and to stop interest and charges for three months, it wasn't implemented until July 2023. He's also unhappy that missed payments were reported to his credit file as it has impacted on his ability to get credit, and that arrears have built up while he's been on the arrangement.

Our investigator didn't think Argos had done anything wrong, but Mr V didn't agree. His complaint has, therefore, been passed to me, an ombudsman, for a decision.

## 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 know it will disappoint Mr V, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

While Argos didn't apply the three month hold to Mr V's account until July 2023 they did send Mr V a letter to explain the impact of that hold in June 2023. I understand that Mr V says he didn't receive that letter, but it wouldn't be fair for me to hold Argos accountable for any delivery problems they are not in control of, and I am satisfied they sent the letter and to the correct address. That letter gave Mr V some breathing space on his account as it explained no interest or late payment fees would be charged on the account for a period of three months. But it also explained that they would tell the Credit Reference Agencies (CRA's) that he was paying less than he should and that that may impact on his ability to obtain credit. I don't, therefore, think Argos were wrong to report missed payments in June and July 2023 as they are obliged to report accurate information to the CRA's. The letter also explained that the *"arrangement does not prevent your contractual payments from falling due and becoming payable"* so I think it should have been clear to Mr V that arrears would continue to build while the arrangement was in place.

But Argos did make mistakes here. They failed, for instance, to implement the hold on the account when they promised to do so. That doesn't appear to have had a negative financial impact on Mr V as they've explained they didn't apply fees and interest in that period, but it will have been distressing and inconvenient for him to have had to call them to chase

progress, especially when he wasn't well and had to repeat his request. Argos offered £25 compensation to Mr V, but since Mr V referred his complaint to this Service they have increased that offer to £125. I think that offer is fair compensation in the circumstances and while I'm asking Argos to pay that, I am not asking them to take any further action.

### **My final decision**

For the reasons I've given above, I uphold this complaint in part and ask Home Retail Group Card Services Limited to pay Mr V £125 in compensation unless they have already done that.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 18 July 2024.

Phillip McMahon  
**Ombudsman**