

The complaint

Mr M complains about how Home Retail Group Card Services Limited, trading as Argos Card, has administered his account.

What happened

Mr M has several issues with how Argos have administered his store card account. As I understand it, the crux of the matter is as follows:

- The charges applied to the account as a result of late/no payment are unfair.
- Mr M's unhappiness with the card being suspended.
- Mr M's assertion that he *did* pay Argos by means of sending it a remittance slip. Argos hasn't returned that remittance slip – or, to borrow Mr M's words, his “financial instrument” – which means, in Mr M's view, that Argos accepted it as form of payment and his account should've been settled.

In September 2024, Mr M complained to Argos and, in turn, Argos sent him a final response letter. In it, Argos set out that it didn't accept Mr M's remittance slip as form of payment – regardless of Mr M's belief that the slip had settled his account under the Bills of Exchange Act 1882. Argos reiterated that Mr M still had a debt to settle, and that it expected payment. Mr M remained unhappy, so he contacted this Service for an independent review of his complaint. An Investigator here considered what had happened; having done so, they didn't think Mr M's complaint should be upheld. In summary, the Investigator said:

- Argos had issued Mr M his monthly statement in June 2024. It told Mr M that his minimum payment was required by 7 July. In response, Mr M sent Argos the remittance slip which came with his statement – which is usually intended for use with an accompanying cheque or postal order – as means of settling his debt. No cheque or postal order was enclosed with the slip.
- Shortly afterwards, on 15 July, Mr M paid Argos £10 by bank transfer. That payment covered his minimum payment from June's statement, but it was later than the due date. So, consequently, Mr M was charged a late payment fee in line with the terms and conditions which governed his account. That charge wasn't unfair nor was it unreasonable.
- No further payments had been made since July 2024 and, as such, the store card had been suspended. Again, that wasn't unreasonable.
- Adverse information had been appropriately recorded with Credit Reference Agencies (“CRAs”), in-line with Argos' obligation to record a true reflection of the account's history.

Mr M continued to disagree and largely reiterated his position: the remittance slip was his method of payment; it hadn't been returned to him and its value was equivalent to the sums being requested. The charges applied to the account were unfair, and the suspension of the

card had caused problems given he couldn't use it for purchases. Mr M also asked whether any brokerage fees had been applied in the opening, or operation, of the store card.

Our Investigator reconsidered in light of Mr M's comments, but didn't change their mind. In short, the Investigator said that Argos hadn't unfairly applied charges – nor unreasonably suspended the card – given repayments hadn't been made. They also told Mr M to contact Argos, in the first instance, about brokerage fees; that wasn't something our Service could comment on, particularly as that aspect didn't form part of his original complaint.

Mr M asked for an Ombudsman's decision. So, as no agreement has been reached, his complaint has 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.

Preamble

Mr M has raised several points here. So, I thought it best to be clear upfront about what I have, and haven't, commented on as part of this decision.

What I've considered here, specifically, is whether Argos acted fairly and reasonably in not accepting a remittance slip as method of payment; whether it fairly applied charges to Mr M's account, whether it fairly suspended the store card and whether it fairly decided to record adverse information with CRAs.

That means, to be clear, that I've not commented in detail on the wider banking system, the Bills of Exchange Act 1882, or any other legislation which Mr M might consider supports his position. The legality of what's happened here is something better placed before the Courts. My remit is instead to determine what I consider to be fair and reasonable in the circumstances of this complaint.

Additionally, I've not commented on Mr M's questions around brokerage fees, or commission, because that didn't form part of his original complaint; Argos, therefore, hasn't had the opportunity to comment on that aspect – or anything else Mr M might now be unhappy with – before the complaint was brought to this Service. So, Mr M should approach Argos about any other issues he has first and, if he remains unhappy with its response, he might be able to bring such matters to our Service separately.

Finally, before addressing the merits of Mr M's complaint, I haven't commented on each and every point or argument he's made. I've focussed on the crux of the matter; so, put simply, I haven't gone into the same level of detail as Mr M. I mean no discourtesy in my approach. Instead, our role is to be informal; my approach here is simply to align with that purpose.

The remittance slip

Mr M considers it the case that he did settle his outstanding debt with Argos by sending it the remittance slip which accompanies his monthly statement. His view, as I understand it, is that the slip is what's sometimes referred to as a "promissory note" which should be treated as having the same value as sums requested. That view is something he believes to be

backed up by legislation, like the Bills of Exchange Act 1882 which I've referenced above.

I don't see things the same way, and I don't agree with Mr M's assertion that Argos has – in the act of not returning it – accepted this promissory note, or “financial instrument” as Mr M has put it. Put simply, Argos doesn't have to accept it over what's detailed as acceptable means of repayment in any other binding agreement that it may already hold with Mr M; like the terms and conditions he agreed to when he opened his store card account.

The remittance slip isn't, in itself, payment. So, I don't find that Argos was wrong not to credit Mr M's store card account with the amount he specified on it; Argos is under no obligation to accept it. Nor do I find that Argos has done something wrong by not returning the remittance slip. The slip itself wasn't worth any money, so I don't find that Mr M has lost out as a result of Argos not returning it; and I don't think the act of not returning it equates to acceptance on Argos' part.

Overall then, I don't think Argos acted unfairly or unreasonably by not settling Mr M's debt on receipt of a remittance slip that wasn't accompanied by a form of acceptable payment.

Charges applied to Mr M's store card

As I understand it, Argos applied charges to Mr M's account in-line with the terms and conditions which govern it. Those terms set out, quite clearly, that a fee will be applied in the event that the minimum contractual repayment isn't made on time.

I don't consider that to be unreasonable, and I've seen nothing to suggest that Argos was at fault for any payment being applied to Mr M's account late. So, on that basis, I don't think Argos has acted unfairly in applying the charges in such circumstances. It has, instead, acted in accordance with the terms of the account which Mr M agreed to when he opened it.

Suspension of the store card

I can understand why Mr M's unhappy that Argos suspended his card. He's explained how he used it for various means, like travel and food shopping, and that not having it has caused some issues.

First, before addressing this point, I'd like to reiterate to Mr M that our Service can provide details of organisations which can assist if he's struggling financially. I know our Investigator offered details of such organisations, and that offer still stands; we'll be happy to pass on those details if Mr M would like them.

I can't, though, agree that Argos was wrong to suspend the store card. Argos' terms set out that it can suspend an account if it has reason to believe an account holder is breaching the terms of the agreement. By missing his contractual minimum repayment, either once, or several times, Mr M has done just that. It's not unreasonable, in such circumstances, that Argos might consider allowing Mr M to spend more could be detrimental to him and his wider financial situation. In fact, from the information I have, it seems Mr M hasn't made any further repayments towards his debt since July 2024. So, in the round, I can't fairly say that Argos acted irrationally in suspending the store card.

That aside, and to repeat, there are organisations which can assist Mr M if he's struggling. I'd encourage Mr M reach out to Argos to discuss his arrears too; I know it's offered the contact details of its specialist support team, and I think that's certainly the right thing to do in these circumstances.

In terms of Argos' reporting to CRAs, I know Mr M has said he's unhappy with Argos' recording of adverse data. The fact is, though, that Argos has a duty to record an accurate reflection of how the account has been managed. Argos has explained that's just what it's done – Mr M hasn't made repayments, as he's contractually obliged to do, for some time; Argos says it's recorded that. I've no reason to doubt that's what's happened and, broadly speaking, there's nothing inherently unreasonable in Argos taking such action.

Overall

To sum up, for the reasons I've explained, I don't think Argos has acted unfairly or unreasonably here; it follows that I don't uphold Mr M's complaint.

While I know Mr M will no doubt disagree with what I've said, I do hope he understands the reasons for my decision. I also hope that he's able to move on from his current circumstances and that things improve for him. In terms of this dispute with Argos, though, my decision brings to an end what we – in trying to resolve that dispute informally – can do for him.

My final decision

My final decision is that I don't uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 30 June 2025.

Simon Louth
Ombudsman