

The complaint

Argos Limited trading as Argos Card (“Argos”) provided Miss Q with a store card in March 2019. It had a credit limit of £750 that wasn’t changed during the time Miss Q held the card. Miss Q says the credit was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won’t repeat them again here. The facts aren’t in dispute, so I’ll focus on giving the reasons for my 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.

We’ve set out our general approach to complaints about unaffordable or irresponsible lending on our website and I’ve taken this into account in deciding Miss Q’s case.

I’ve decided the credit was provided fairly because:

- I think the checks Argos did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Miss Q’s financial situation at the time.
- Miss Q declared part time annual earnings of £18,000 per year. I’ve seen the evidence provided by Miss Q which shows she was actually earning considerably less – albeit the amounts did vary. But I still think it was reasonable for Argos to consider the earnings she declared given the monthly repayments on a £750 credit limit would be relatively low.
- There are no regulations that say that a formal credit search had to be carried out but Argos did perform an affordability assessment that took details from Miss Q’s credit file and this showed that she didn’t have any active credit agreements at the time and so had no outstanding debt on any existing credit cards or loans.
- Miss Q also appears to have declared she lived at home – although it’s not clear whether this was her position at the time of her application. Even if Argos was aware of her actual income given that she had a clear credit file with no other debt I don’t think even if Argos had conducted further checks it would’ve thought the minimum payment that was needed to service the facility would’ve been unaffordable for Miss Q.
- Based on the information Argos gathered and what it knew about Miss Q’s circumstances, there was nothing to suggest Miss Q was likely to be unable to sustainably repay what she was being lent.
- I don’t think Argos acted unfairly in any other way and I say this because Miss Q did

contact Argos in April 2023 to say she was having difficulties due to a change in circumstances. But I can see Argos implemented breathing space for her and carried out an income and expenditure check – in the circumstances I consider the support offered by Argos was fair and proportionate.

- Miss Q also received a persistent debt letter in 2024, and this outlined her options and said if she wanted to – she could discuss this with Argos. I can see the account was closed in March 2025. I'm satisfied Argos did what it was supposed to do when it sent the persistent debt letter.

This means I don't think Argos did anything wrong when it provided the store card to Miss Q.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Argos lent irresponsibly to Miss Q or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Miss Q hoped for. But for the reasons above, I'm not asking Argos to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss Q's complaint about Argos Limited trading as Argos Card.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss Q to accept or reject my decision before 13 January 2026.

Robert Walker
Ombudsman