

The complaint

Mrs R complains that Home Retail Group Card Services Limited trading as Argos Card (“HRG”) has charged her extortionate interest under a credit agreement she held with them.

What happened

Mrs R held a store card account with HRG. In March 2025, she complained to them saying they had applied exorbitant interest rates on her account for several years which meant she wasn’t able to reduce the outstanding balances. Mrs R said she had been paying £200 each month despite agreeing to pay £187 but the account balance remained high instead of reducing.

HRG didn’t uphold Mrs R’s complaint. They said they’d applied interest to the account in line with the terms and conditions that had been agreed when Mrs R opened it.

Mrs R remained unhappy and referred her complaint to our service. Our investigator didn’t recommend that it should be upheld. He said HRG had explained how interest would be applied when Mrs R opened the account. He also said HRG had given clear information on the monthly account statements about how Mrs R’s purchases had been made and how interest would potentially be applied in relation to Buy Now Pay Later purchases. Our investigator also said that interest would still be accruing on the account even though Mrs R was making higher monthly repayments than agreed.

Mrs R didn’t agree with our investigator and so her 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.

Mrs R’s complaint is in relation to a regulated credit agreement she took out with HRG. Our service can consider complaints about these types of agreements.

I’m sorry to hear that Mrs R is unhappy with how HRG operated her account. She’s mentioned they charged exorbitant interest rates, and this meant she’s been unable to reduce the balance on the account even though she was paying more than the minimum monthly amounts due for several years.

Mrs R’s account was interest-bearing and, although I don’t have a copy of the original credit agreement she entered with HRG, I’ve looked at a copy of the account statements from 2018 onwards which shows the Annual Percentage Rate (“APR”) applicable to the account at the outset was 29.9%, which was then increased to 34.9% from July 2021.

I've not seen any evidence that HRG misapplied interest to Mrs R's account in relation to the APR at any stage. I note our investigator mentioned to Mrs R he'd reviewed all the account statements from 2018 onwards and that Mrs R hasn't said in response to our investigator that HRG made any errors relating to how they applied interest. Her complaint is more that they applied interest rates that she feels were too high. But our service isn't able to rule whether HRG's APR's are too high. And from what I've seen, HRG applied these APR's across the board for their customers rather than determining specific rates for Mrs R only.

I appreciate Mrs R paid more than the minimum monthly amounts due for some time. But as there were still outstanding balances due on the account during that time, interest would continue to be applied. I've not though seen sufficient evidence that HRG applied interest incorrectly on any of the purchases Mrs R made.

While I'm sorry to disappoint Mrs R, I won't be upholding her complaint for the reasons I've set out above.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 9 January 2026.

Daniel Picken
Ombudsman