

The complaint

Mrs W complains that Home Retail Group Card Services Limited trading as Argos Financial Services ('Argos') didn't warn her payments were due on her store card account and unfairly reported missed payments to her credit file.

Mrs W is seeking changes to her credit file and compensation for distress and inconvenience.

What happened

Mrs W made two Buy Now Pay Later ('BNPL') purchases on her revolving credit account with Argos, which were due for payment in November 2024 and December 2025. Mrs W wasn't aware she needed to start making payments, so arrears accrued. Argos subsequently recorded the missed payments on Mrs W's credit file.

Mrs W complained and asked Argos to remove the missed payment markers, but they declined, explaining that the information reported to the Credit Reference Agencies ('CRAs') accurately reflected the account history.

Mrs W then referred her complaint to the Financial Ombudsman Service. She said Argos had failed to communicate fairly, had not warned her about adverse credit reporting, and had not taken her individual circumstances into account. Mrs W said this caused her difficulty in obtaining a mortgage and caused her distress at an already stressful time.

Our investigator didn't recommend that Mrs W's complaint be upheld. She concluded that Argos had communicated fairly with Mrs W and had complied with their credit reporting obligations. In response, Mrs W explained why she disagreed and sought an ombudsman's 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've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Having done so, I broadly agree with the findings of our investigator and I've decided not to uphold Mrs W's complaint. I'll explain why.

I don't agree that Mrs W didn't have advance warning of adverse credit reporting for her account, because the terms and conditions of Mrs W's credit agreement and her statements set out that missing payments could have severe consequences including making credit more difficult to obtain in future. Argos' privacy notice, which Mrs W agreed to when signing

her agreement, sets out that Argos will share data when required to do so by law or a code of practice, or where they are asked to do so by a public or regulatory authority. I don't agree that Argos needed to give Mrs W extra warning before reporting missed payments to her credit file.

The Information Commissioner's Office ('ICO') expects firms to provide monthly updates to the Credit Reference Agencies ('CRAs') in relation to the accounts their customers hold. The ICO says *"if you do not make your regular expected payment by the agreed time and/or for the agreed amount according to your terms and conditions, the account may be reported to the CRAs as being in arrears."* The ICO also says *"data that is reported on your credit file must be fair, accurate, consistent, complete and up to date."*

Mrs W says she feels it was unfair for the missed payments to be reported, as she was unaware that payments had become due. I appreciate that this situation arose after Mrs W moved home, and she had not yet updated her address with Argos. I'm not persuaded this had a material impact, as Mrs W had chosen to receive communications electronically rather than by post. This meant Argos sent her emails and text messages about her account, and account information was also available to her through the app.

Mrs W says she does not recall receiving these communications. However, I'm satisfied that Argos sent them in line with her stated communication preferences. I've seen Argos' records showing the emails and text messages sent to Mrs W, along with copies of those messages. I've also seen evidence suggesting Mrs W did open the emails, although I accept this doesn't indicate precisely when this occurred.

Taking everything into account, I think Argos have shown that they met their obligation to communicate clearly and fairly with Mrs W. Mrs W's statements set out her BNPL purchases and clearly showed when payments were due. Argos also emailed her when statements became available, explaining whether a payment was required and reminding her to review her BNPL plans. In addition, Argos sent text messages to the number they held for Mrs W to let her know her BNPL plan had ended and that no payment had been received.

Mrs W says she was only aware of the arrears when she logged into her app, and she started to make partial payments towards her account. She cleared the balance by September 2025. I recognise Mrs W's good intentions here, but I don't think this means Argos should change their credit reporting. I agree with our investigator that Mrs W's subsequent repayment of the arrears doesn't change the fact that minimum payments weren't made on time earlier in the year. I agree that Argos were obliged to continue reporting the account status accurately which means recording that payments were previously missed, though they have now been paid.

I recognise that Mrs W feels the missed payment markers on her credit file overstate what she sees as a short-lived oversight. I'm sorry to hear about the impact this has had on her ability to secure a mortgage, and the effect this has had on her wellbeing at what was already a difficult time. However, I could only require Argos to amend Mrs W's credit file or award compensation for distress if I were satisfied that they had treated her unfairly. For the reasons I've explained, I'm not persuaded this is the case. I appreciate this will be disappointing for Mrs W, but I'm not going to ask Argos to take any action on this occasion.

Mrs W can place a notice of correction on her credit file to explain the circumstances surrounding Argos' entries, if she feels this is helpful. To do this she will need to contact each of the main CRAs.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 14 May 2026.

Clare Burgess-Cade
Ombudsman