

## **The complaint**

Mr S is complaining that the interest is being wrongly charged on his store card with Home Retail Group Card Services Limited trading as Argos Financial Services (“Argos FS”).

## **What happened**

Mr S had been making regular purchases on his Argos FS store card. He complained to Argos FS saying the interest being applied to his account is wrong, and Argos FS replied to his complaint with a final response letter (FRL) in June 2025. In it, they apologised for difficulties in replying to his last letter from April 2025, explaining that some letters were being sent to the correct place, but others were being sent to the retailer and not the financial services company. They tried to explain how interest was applied differently depending on how the purchase was made, and under what terms (some are normal purchases, some were under two different “Buy Now Pay Later” schemes offered by the retailer).

They apologised for the delays in providing him a response and offered £30 by way of apology. But Mr S brought the complaint to our service later that month. An investigator here went through his statements in detail and showed where interest should apply, where it shouldn't and confirmed that everything they could see was correct. In response to this, Mr S sent in more statements he thought were wrong, and after speaking to him on the phone, he asked for an Ombudsman to make a final decision, without outlining what he didn't agree with. The case has come to me for that final 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.

Having done so, I've reached the same overall conclusions as the investigator, and for broadly the same reasons. If I haven't commented on any specific point, it's because I don't believe it's affected what I think is the right outcome. Where evidence has been incomplete or contradictory, I've reached my view on the balance of probabilities – what I think is most likely to have happened given the available evidence and wider circumstances.

In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and (if appropriate) what I consider was good industry practice at the time.

It seems clear to me that Mr S is struggling with how the interest applies to purchases on his account and having been given all the details by the Investigator who went through his statements in detail, I don't intend to do this again. I'd just highlight a couple of key things for Mr S based on my observations of the account, and the answers he's already been given.

The terms of the agreement detail how payments will be applied to the account. They say that if the full outstanding balance isn't paid off in a month, any payments made will be applied in a specific order to outstanding amounts:

- Firstly to any fixed payment plans (not applicable to Mr S).
- Secondly to any Interest free plans (not applicable to Mr S).
- Thirdly to any Buy Now Pay Later plans **where the interest free period is due to end before the next statement date.**
- And finally, any further payment will be applied based on purchases with the highest interest rate applicable first.

This is what Argos FS have been doing, so they aren't doing anything wrong from what we have seen.

I don't know if perhaps Mr S is confused by the fact that rather than get a full three months on a buy now pay later deal with three months to pay, his payments will be applied at a statement date if the three-month period is due to run out before his next statement date.

But Mr S hasn't really explained why he thinks the interest charges are wrong, or which parts are wrong, he just asked us to investigate the fact they are wrong. I can assure him, they aren't wrong and are following the terms and conditions of the account, which seem fair.

Mr S has sent in more recent statements for us, but we can't continue to assess these. We can only consider the complaint he already raised to Argos FS, and whether the answer to that was fair.

Rather than continue to raise complaints about this, I'd encourage Mr S to perhaps discuss his concerns with a friend or family member who he trusts, to see if they can help him understand what's happening. The interest being charged seems to all be correct, and he doesn't seem to be able to tell us exactly why its wrong, so as such, he might continue to go around in a circle here.

The final thing I would highlight was something else the investigator said which I'm not sure Mr S has seen. Some of his purchases are with the retailer directly, and some are through an outlet in a supermarket. The investigator highlighted that the purchases at the supermarket outlet wouldn't be eligible for the Buy Now Pay Later offers, so only the purchases made directly with the retailer would be. So, it isn't the case that every purchase over a certain amount qualifies; it also depends on where it's been purchased. I'm unclear if Mr S understands this, so felt it may be helpful to be clear about this.

Additionally, the Buy Now Pay Later option must be selected at the point of purchase, so it isn't automatically applied. And one final point, Argos FS offered him £30 for a delay in responding to his complaint, which I think was fair and likely more than I would have recommended, so I have no concerns with that.

Overall, I am satisfied that Argos FS have acted fairly and charged him interest correctly, and I won't be asking them to do anything more.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 February 2026.

Paul Cronin  
**Ombudsman**