

The complaint

Mr R complains that Home Retail Group Card Services Limited, trading as Argos Card, were unreasonable to default his account, sent correspondence late, and dropped his calls.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my 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.

I know it will disappoint Mr R, but I agree with the investigator's opinion. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

The Information Commissioner's Office (ICO) says when a consumer is at least three months behind with their payments then a default may be registered. Mr R was in arrears on his account in August, September, and October 2022 and I, therefore, think it was reasonable for Argos Card to send him a default notice in November 2022. I can see that Mr R doesn't think he was three months in arrears but having reviewed his statements I think he was. There were payments attempted but they had been returned by his bank. Mr R didn't bring his account up to date and in those circumstances I don't think Argos Card were unreasonable to terminate his account in December 2022.

Argos Card have an obligation to report accurate information to the credit reference agencies about consumer's accounts. So, I don't think they were wrong to report the default.

Mr R says he wanted to pay but found that difficult because he needed his card to access payment systems and didn't have it, and also because he was cut off. The default letter set out the different ways Mr R could pay. It explained he could use the app, pay over the phone, or pay on-line. Mr R's statement also explained that he could pay by cheque and that to do so he would need to write his card number on the cheque. That card number was available on the statements I've seen copies of, that were addressed to the address we have on file for Mr R. I'm not persuaded I have sufficient information to suggest that even if Mr R had difficulty making payments directly through the phone or on-line, he couldn't pay by cheque. I don't, therefore, think it was unreasonable for Argos Card to default his agreement as payment wasn't made on time.

Argos Card did accept that their agent did not provide all the information they should have during a call and that they delayed sending a copy of a call to Mr R. They offered Mr R £40 compensation in respect of the distress and inconvenience that had caused him, and, in the circumstances, I think that was fair. I don't think it would be reasonable to hold Argos Card accountable for delays in the postal service that may have meant Mr R didn't receive a letter, and I don't think there is sufficient evidence the call Mr R made to Argos Card in October 2022 had been disconnected by them. I'm persuaded that £40 was sufficient recompense in the circumstances.

Ultimately, I don't think Argos Card need to take any further action.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 6 February 2024.

Phillip McMahon
Ombudsman