

The complaint

Mrs W complains that Argos Limited trading as Argos Card, unfairly reported adverse information to credit reference agencies, when the monthly payment she made fell short of the minimum amount required.

What happened

Mrs W holds a store card with Argos. The card allows Mrs W to make purchases up to her credit limit from Argos Limited and a number of other selected retailers. Under the terms of the card, she is required to make monthly payments towards her balance, which she usually does manually each month.

In April 2023, Mrs W made a payment of £20.00 towards her card balance. But as this was less than the minimum payment required for that month, Argos reported this information to the credit reference agencies (CRAs), which Mrs W says is now being reflected as a late payment. Unhappy with this, she complained. She said it's unfair that her credit file is impacted negatively, given that the payment was only short by around a pound.

Argos responded, but they said they are required to report factual information to CRAs about how a customer's account has been managed. So, while they accepted the payment was short by a small margin, they were satisfied that the actions they took were correct. So, Mrs W brought her complaint to our service.

An investigator here considered Mrs W's complaint. He sympathised with her position, given that the payment she made was only short by a very small margin. But overall, he was satisfied that the action taken by Argos was justified, given their requirements to report accurate information to the CRAs.

Mrs W remained unhappy, so the case 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.

The terms of Mrs W's account set out that she is required to make the minimum payment each month. How the minimum payment is calculated is broken down in detail within those terms but, broadly speaking, it comprises of amounts towards both the capital and interest owing. The terms also explain that the monthly amount due will be noted on Mrs W's statement, along with when the payment is due by.

For the month in question, Mrs W's statement shows that she was due to pay £21.16 by 15 April 2023. However, a payment of just £20.00 was paid on 6 April 2023 and there were no further payments following that before the payment due date. So, based on this, Mrs W had not made the minimum payment by the date required, as per the terms of her policy. So therefore, I'm satisfied that Argos had reported the status of her account accurately, when they informed the CRAs the payment was made late.

I accept that this must have been frustrating for Mrs W, given the small amounts in question; and I appreciate that Mrs W has shown that she had the ability to pay the small additional amount needed to meet the minimum payment requirement had she realised. But, while I sympathise, ultimately, it is Mrs W's responsibility to ensure that she makes her minimum payments monthly, and by the date they are due. And I can't say that Argos has treated her unfairly by reporting accurate information to the CRAs here.

Mrs W has said that she doesn't receive paper statements any longer, so she couldn't see how much she needed to pay. I can see that the reason for this is that her statements switched to paperless around the end of 2021. But Mrs W has confirmed that she was aware of both this, and the fact that she could switch back to paper statements had she wanted to. So, I think there was more that Mrs W could have done to check the amounts that were due before making her monthly payment.

I appreciate this will come as a disappointment, but ultimately Mrs W was responsible for ensuring she made her minimum payments on time each month, and was aware how she could review those amounts; be that by accessing the online statements, or requesting that paper statements were sent to her. And, by her own admission, she did not do so before making the payment in April of £20.00. So, I'm satisfied that Argos were right to record this as a late payment with the CRAs in the circumstances, and therefore I won't be asking them to do anything more.

My final decision

My final decision is that I do not uphold Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 2 October 2023.

Brad McIlquham
Ombudsman