

The complaint

Mrs B's complaint about American Express Services Europe Limited (AESEL) relates to their decision to increase her minimum monthly payments and the service she received when making subsequent enquiries about that decision.

What happened

In September 2019 AESEL wrote to Mrs B explaining that they were making changes to her account and that she would be required to pay an increased monthly minimum payment in order to reduce the amount she owed. In the event she didn't wish to do that, AESEL gave her the option of cancelling her account and repaying the outstanding balance. Mrs B rang AESEL to speak to them about this and she was promised a call back which did not materialise.

Mrs B then continued to make her normal monthly payments which were lower than the increased figure AESEL had stated. In November Mrs B called AESEL once more and on this occasion asked if the interest rate could be reduced, which AESEL said not.

Mrs B made another call to AESEL in November and discussed with the agent the issue of her account being overdue and said that in an earlier call an agent had told her the account would be returned to its previous status. AESEL said they had no record of such an agreement.

AESEL upheld Mrs B's complaint in part since they accepted they ought to have called Mrs B as they had promised. Further they acknowledged that if they'd done that the subsequent registration of a missed payment marker to her credit file, and a late payment fee, could have been avoided. AESEL removed the late payment marker, refunded the fee and paid Mrs B £100 in compensation for the poor service.

Mrs B was unhappy with AESEL's final response and so approached this service to see if we could assist in resolving the dispute. Our investigator thought that AESEL had dealt with the complaint fairly and that the amount of compensation AESEL had paid was enough to put things right.

Mrs B didn't agree and asked for the complaint to be passed to an Ombudsman for a 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.

The accepted facts are that AESEL wrote to Mrs B to notify her that there was to be a change to her minimum payment. It was that correspondence which prompted Mrs B to call AESEL. AESEL failed to call Mrs B back to discuss the minimum payment increase as promised, and because of that Mrs B worked on basis that the increased minimum payment

was not applicable. Unknown to Mrs B a late payment marker was reported to her credit file which was later removed.

I know Mrs B said that AESEL had agreed that the increased minimum payment would not be applied, but that is not accepted by AESEL. Whilst there is no call recording available of that call, I have been able to look at the call notes and they don't support Mrs B's recollection. I think that had such an agreement been reached it would more likely than not have been recorded as that is a material factor.

AESEL have taken steps to put Mrs B back in to the position she would have been in but for their failure to call her back. They have refunded the £12 late payment charge and removed the late payment marker and paid £100 for the inconvenience and distress caused for that, and for not returning the call.

I know Mrs B doesn't think this was enough to put matters right, so I've given this some further thought and I think what AESEL paid is in fact fair and reasonable. Naturally had the late payment markers remained on her credit files that would have negatively impacted her, but as they have been removed the impact has been minimal. And, financially she has sustained no loss since the late payment fees were refunded.

Mrs B has also complained of the service she received from various agents she spoke with. She has described being met with a dismissive attitude, arrogance and utter incompetence. I have asked for those call recordings but AESEL have said they cannot locate them, and it is very unlikely they are still in existence because they generally only keep call recordings for around six months. So, I am unable to say how the agents Mrs B spoke to conducted themselves or what their tone, demeanour or conduct was like. I do however think Mrs B has a point regarding incompetence to the extent that the promised call was not made.

I have noted that following Mrs B's complaint to AESEL she has raised further service issues surrounding her not receiving statements, but as this doesn't form part of her original complaint the rules which govern our service say I can't look at this aspect, since it will have to form the basis of a fresh complaint so that AESEL can be given the opportunity of investigating and responding to it.

So, although Mrs B will probably be disappointed with my decision, and whilst AESEL have indeed made an error in failing to make a return call, I can't say AESEL has subsequently acted unfairly or unreasonably here and I'm not upholding this complaint.

My final decision

American Express Services Europe Limited has already paid Mrs B £100 to settle this complaint, and I think that is fair and reasonable. So, my final decision is that I don't require it to do anything else.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 8 January 2021.

Jonathan Willis
Ombudsman