

The complaint

Miss A has complained that American Express Services Limited (Amex) failed to adhere to her instructions by paying for additional hotel accommodation expenses on her Amex card when she expressly told it not to since the additional hotel expenses were complimentary.

What happened

Miss A was on holiday abroad and staying in a hotel. It was shortly after a pandemic lockdown. Miss A complained to the hotel about the lack of facilities and service. She said the hotel manager then gave her three further nights free as compensation for the issues she had endured. Miss A extended her holiday to avail of those further nights.

Miss A said on checking out of the hotel she was advised there was nothing further to pay. On her way to airport she phoned Amex to advise it nothing more should be debited from her card. The Amex advisor told there was nothing pending to be paid from her card at that stage and if there was in future then she could dispute the charge.

Some days later the hotel charged her card for these three extra nights. Miss A disputed this and raised a complaint with Amex. Amex said as the hotel produced the signed registration card with Miss A's agreement to cover these costs. It therefore paid the hotel the fees it was requesting.

Dissatisfied Miss A brought her complaint to us. The investigator didn't think it should be upheld as she thought Amex had followed their own chargeback rules correctly. Miss A disagreed so her complaint was passed to me to decide.

I issued a provisional decision on 1 March and I said the following:

'Amex has shown us that Miss A didn't sign anything for hotel expenses beyond 14 June 2022 when the original invoice for her hotel stay in the sum of £720 was signed. The later invoice the hotel sent to Amex for the disputed amount of £618.70 for the extra three nights' stay was unsigned by Miss A, which suggests Miss A's card details were keyed in after Miss A had left the hotel.'

It took a little time for Miss A to be able to locate the email correspondence which she had with the hotel at the time given the email string had to be retrieved from a server. I'm satisfied Miss A has appropriately located that email string and that it's genuine. She was also able to provide a short statement from the person who retrieved the email from the server too.

This email string clearly details that the hotel confirmed it had given Miss A three further nights' stay as complimentary and this is dated 18 June 2021. It explained she would also have to change rooms.

Amex has now provided the relevant call recordings. The essential one is dated 21 June 2022 which details the contents of a conversation between Miss A and the Amex advisor explaining that Miss A was not consenting to any further payment to

the hotel given the three further night's accommodation were given by the hotel as complimentary. I can see given the issues Miss A had encountered with the hotel she was concerned that it might ask for further payment. The Amex adviser confirmed at that time there was nothing pending on her card and if it came in later then she could dispute it.

When Miss A raised her complaint with Amex, Amex appeared to ignore the contents of this call recording. I don't consider that reasonable. More so when Miss A went to the trouble of explaining the situation to the Amex adviser on the day that she left the hotel.

I think it's clear that Miss A agreed to pay the original costs of her holiday in the sum of £720. It's also clear from Miss A's email evidence that given the service issues she encountered at the hotel, it clearly offered her a further three nights' stay as complimentary. Therefore, I don't consider Miss A then agreed to pay for these further nights and I don't agree the original agreement which Miss A did sign, covers the additional three nights' stay costs. As such I don't consider Miss A authorised this further payment of £618.70 and therefore, I don't consider she's liable to pay it.

Therefore, I consider Amex should rework the account as if the payment hadn't been made. I understand Miss A said she hadn't used her card since this dispute arose.

This caused Miss A some considerable inconvenience for which I think Amex should pay her £200 compensation.

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.

Both parties have agreed to my provisional decision, and on that basis, I see no reason to change both the reasoning and outcome of that decision as detailed above.

My final decision

So, for these reasons, it's my final decision that I uphold this complaint.

I now require American Express Services Limited to do the following:

- Rework Miss A's account as if the payment hadn't been made.
- In the unlikely event that Miss A has had to make more repayments than she otherwise would have, it should refund those payments adding interest of 8% simple from the date Miss A made those repayments to the date of the refund. If income tax is to be deducted from the interest, appropriate documentation should be provided to Miss A for HMRC purposes.
- Pay Miss A the sum of £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 3 April 2023.

Rona Doyle

Ombudsman