

The complaint

Mr Z complains that American Express Services Europe Limited (“AESEL”) told him there was nothing left to pay on an account he closed, but that it later transpired there was.

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 Z, 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.

AESEL added two transactions (the “transactions”) to Mr Z’s credit card account after he closed it, and after he says he was told there was nothing left to pay. There’s no dispute that those transactions took place and, regardless of whether he was told there was nothing left to pay, it’s only fair that Mr Z pays back the money he borrowed. So, I don’t think AESEL were unreasonable to ask him to do so.

I’ve considered whether Mr Z was inconvenienced by AESEL’s actions and whether they should pay him any compensation as a result. I’m not persuaded they should. I say that because I don’t think I have sufficient information to suggest that the transactions appeared late on Mr Z’s statements because of anything AESEL did wrong. It seems most likely that the transactions appeared late because the merchant hadn’t initially accepted charges. AESEL wouldn’t have been likely to see those transactions when the account was closed or have been able to advise Mr Z they were pending.

But I do think Mr Z was subsequently alerted to the fact the transactions had debited his account and that he was given sufficient time to repay them. I say that because AESEL have shown that they dispatched statements to him that listed the transactions the month after the account was closed. While I understand Mr Z disputes receiving these statements AESEL’s system notes show they were dispatched to the address we have on file for Mr Z, and it wouldn’t be fair to hold AESEL responsible for any postal problems that were out of their control. I’m persuaded that it’s more likely than not the statements were delivered. So, I don’t think the fact the transactions were added to Mr Z’s account late caused him any inconvenience.

Mr Z says that he's never had paper statements from AESEL but even if I'm wrong to suggest he received paper statements and that he wasn't made aware of the amount due on the account until later, I don't think he was inconvenienced. That's because AESEL quickly refunded late payment charges and interest and have confirmed that they didn't report any adverse information to Mr Z's credit file in relation to this issue. So, again, I can't see Mr Z has been inconvenienced and, overall, I'm not asking AESEL to take any 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 Z to accept or reject my decision before 24 June 2024.

Phillip McMahon
Ombudsman