

The complaint

Miss W complains that American Express Services Europe Limited hasn't refunded her for work carried out on her car that wasn't performed correctly.

What happened

In October 2021, Miss W paid a garage who I'll call 'K' a total of £2,683.10 using her American Express credit card to carry out some repair works to her car. Part of that work was to repair a hole in the off-side seal and to treat the affected area with rust inhibitor. The garage's invoice set out that the cost for this was £907.20.

Miss W says the rust reappeared a few months later and so she gave K another chance to carry out the work properly. However, Miss W says the rust reappeared again. K offered to look at the car again, but Miss W said she'd already given them a chance to put the matter right and asked them for a refund, which they refused. Miss W took the car to another garage, who I'll call 'A' who quoted her to repair and paint the off-side and near-side sill panels. She then took the car to another garage that I'll call 'H' who told her that the work carried out by K was substandard. Miss W paid H for the problem to be rectified.

Miss W contacted American Express asking for a refund of the money she'd paid to K as they hadn't carried out the work that had been agreed. American Express considered a claim under section 75 of the Consumer Credit Act 1974 (s.75) but declined this, saying there wasn't enough evidence to show K had breached the contract.

Miss W referred the matter to our service. One of our investigators looked into what happened but didn't recommend that the complaint should be upheld. She felt that American Express would have needed the opinion of an independent professional to determine what work was meant to be done on the car and if that work hadn't been carried out properly.

Miss W disagreed. She sent in pictures of rusted pieces of the car that H had given her as evidence that the work carried out by K was substandard. And she said that she'd sent invoices and reports from A and H which also confirmed this.

As the matter remains unresolved, Miss W's complaint has been passed to me for a 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 want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I want to assure both parties that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key

issues. Our powers allow me to do this.

Here, I'm looking at the actions of American Express and whether it has acted fairly and reasonably in the way it handled Miss W's dispute. In doing so I consider relevant law which includes s.75. This provides that in certain circumstances the borrower under a credit agreement has an equal right to claim against the credit provider if there's a breach of contract or misrepresentation by the supplier of goods or services.

The Consumer Rights Act 2015 (CRA) implied terms into Miss W's contract with K. One of those terms was that any services supplied to her would be carried out with 'reasonable care and skill'. If that didn't happen, then that would give rise to a breach of contract.

I've first looked at K's invoice to understand the work that they agreed to carry out on the car. The invoice set out the following:

'Check seal corrosion. Customer reports there is a hole to the o/s seal, found 3 holes in sills, cleaned areas and fabricated new metal work, welded in new sections and treated area with rust inhibitor, primed ready for painting to body colour by specialist'.

Miss W has sent us documentation from A and H that she says shows K's work was substandard. I've looked at this and note that:

- A's quote was to repair and paint the off-side and near-side sill panels.
- H's invoice explained they would *'clean up underside of o/s sill panel. Make up plates to cover both small areas of corrosion. Weld into position. Treat with anti-corrosion. Clean up and cut out corrosion on n/s rear sill of vehicle. Make up plate to shape of contour of sill under side. Weld into position and stone chip'.*

I don't think that A's quote gives sufficient detail on the reason for the work or that this likely resulted from work K had done which needed to be corrected. And while H's invoice detailing the works is a more detailed and mentions that they needed to treat corrosion to both sill panels, I would have liked more certainty that this resulted from the work K undertook, and that this was down to poor workmanship on their part.

I accept that A and H set out in their documents that they would work on the off-side and near-side sill panels, and that was the area of the car that K worked on. And I have looked at the photos that Miss W has sent in showing pieces of rust taken from the car as well as considering the verbal testimony Miss W says was given to her that K's work was poor. And it's possible that the work H carried out resulted from poor workmanship. But I don't have enough persuasive evidence to link these two matters together sufficiently to make me think that on a balance of probabilities, K's work was ineffectual.

I'm sorry to disappoint Miss W, but it follows from what I've said above that I don't think that American Express acted unfairly when they didn't uphold her complaint about their decision to decline her s.75 claim.

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 Miss W to accept or reject my decision before 20 December 2024.

Daniel Picken
Ombudsman