

The complaint

Mrs B complains that American Express Services Europe Limited (AESEL) (“Amex”) has refused to allow her to cancel her Platinum credit card and receive a pro-rata refund of the annual fee she paid. She further complains that she has been unable to use some of the online servicing available to cardholders.

What happened

Mrs B has been assisted in making his complaint by a family member. But in this decision, for ease, I will refer to all communication as if it has been with, and from, Mrs B herself.

Mrs B opened a Platinum credit card with Amex in 2023. It appears that from the outset she has found it difficult to access the online servicing portal for her card using some internet browsers. In December 2023 Mrs B spoke to Amex via its online chat service about the problems she was facing. She asked to cancel her credit card and be refunded the annual fee that she had paid.

Amex treated Mrs B’s comments as a complaint. It paid her £75 for the IT issues as a gesture of goodwill. And it told her that, if she wanted to cancel her credit card, she could speak to its card services team who would be able to arrange a pro-rata refund of her annual fee. However the credit card account remained open and Mrs B, and her husband, have continued to use it. Unhappy with Amex’s response Mrs B brought her complaint to us. And it seems that since then she has made further unsuccessful attempts to cancel her credit card.

Mrs B’s complaint has been assessed by one of our investigators. He thought that Mrs B had made clear attempts to close her credit card account that Amex should have acted upon. But he noted that Mrs B had continued to use the card and so derive benefit from the credit that it offered to her. So he didn’t think it would be reasonable for any refund of the annual fee to be backdated to when Mrs B’s closure requests had been made. But he thought Amex should increase the compensation that it had paid to Mrs B, so that she received a total of £200.

Amex accepted the investigator’s findings. But Mrs B didn’t agree. So, as the complaint hasn’t been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process. If Mrs B accepts my decision it is legally binding on both parties.

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.

In deciding this complaint I’ve taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mrs B and by Amex. Where the evidence is unclear, or there are

conflicts, I have made my decision based on the balance of probabilities. In other words I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

From the evidence I have seen, it is clear that Mrs B has made a number of unsuccessful attempts to close her credit card account. I cannot be sure why those requests haven't been completed, but think it possible that the reasons might be linked to our consideration of this complaint and Mrs B's request for a full, or pro-rata, refund of the annual account fee.

But now I have decided this complaint, and set out what needs to be done below, I cannot see any reason why Mrs B's account shouldn't be closed once she has repaid any outstanding balance to Amex. So if, after considering this decision, Mrs B still wants to close her account I'd encourage her to get back in touch with Amex's card services team to make that request. Should that request again fail, I think it would be reasonable for Mrs B to make a new complaint to the firm.

Despite her requests for the account to be closed, Mrs B has continued to make extensive use of her credit card. That has clearly provided her with some benefits, such as a period of interest free credit, and other benefits such as travel insurance and airport lounge access. So I'm not persuaded that Mrs B should have any annual fees refunded to her during the time that the card has been in active use despite her previous requests for its cancellation.

It is clear that Mrs B has faced some problems accessing the online services of the card. Those might for example provide her with details of her statement balance, and transactions that have been made using the card. But I'm not persuaded that, other than the obvious inconvenience, those problems have caused Mrs B to lose out.

Mrs B has been able to access the online servicing using some browsers she tried. I understand that she has been able to access the servicing using her phone. Mrs B told us that the lack of online service meant that she missed a contractual repayment and that will have impaired her credit score. But I'm pleased to be able to tell Mrs B that Amex has recorded all her repayments as having been received on time. So there is no adverse information recorded on Mrs B's credit file as a result of her use of the credit card.

As I said earlier, Amex has paid Mrs B £75 for her inconvenience caused by the IT problems. But I think Mrs B has also suffered inconvenience as a result of her card not being cancelled when she asked. So I agree with our investigator that a further compensatory payment is warranted here. I think it would be fair and reasonable for Amex to pay an additional £125 (making total compensation of £200) to Mrs B.

I appreciate that this decision will be disappointing for Mrs B. But I think her continued use of the credit card, despite her requests for its cancellation, mean that it would be unfair to ask Amex to refund any of the annual fee she has paid. Should Mrs B no longer want the card, she should again contact Amex to ask for its cancellation.

Putting things right

Amex should pay an additional £125 (making total compensation of £200) to Mrs B in respect of the inconvenience she has been caused by the matters forming this complaint.

My final decision

My final decision is that I uphold a part of Mrs B's complaint and direct American Express Services Europe Limited (AESEL) to put things right as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 1 November 2024.

Paul Reilly
Ombudsman