

The complaint

Mr M complains about the way in which American Express Services Europe Limited handled his claim for a refund when goods he had bought with his credit card were not delivered.

What happened

In February 2024 Mr M placed an online order for four items at a total cost of £122.59. He said they were not delivered and contacted the retailer. The retailer contacted the courier firm which had handled the delivery. It in turn provided evidence which it said showed the package had been delivered. That evidence included GPS tracking showing the delivery van outside Mr M's home and a photograph of the package at the point of delivery.

Mr M said the photograph did not show his home. He said too that he had checked with his neighbours, but none admitted to having received his parcel. The retailer nevertheless refused to provide a refund.

Mr M referred the matter to Amex and asked it to make a chargeback request. Amex however accepted the evidence of the courier firm and the retailer that the items had been delivered. It too declined to provide a refund, although it acknowledged it had not handled the claim as well as it should have done and paid Mr M £30 in recognition of that.

Mr M referred the matter to this service for further investigation. While that investigation was underway, Amex reviewed the matter again and, in August 2024, credited Mr M's account with £122.59 – the full amount of the disputed payment.

Mr M said that he did not think that was enough to resolve the complaint. He noted that it had taken Amex six months to agree to the refund; in that time, he had spent a significant amount of time pursuing the matter. He thought he should be compensated for that.

Amex offered Mr M £100 in recognition of the inconvenience to which he had been put. Our investigator thought that was fair and recommended that Mr M accept the offer. He did not do so and explained why he thought a much larger payment was appropriate.

The investigator reviewed the matter and recommended that Amex increase its offer to £170; including the £30 which Amex had already paid, that would make a total of £200. Amex accepted the investigator's recommendation, but Mr M didn't. He repeated that he thought an award of £2,000 would be fair. He asked that an ombudsman review the case.

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.

As Mr M has received a refund of the card payment, I do not need to comment on that element of his complaint. The only issue in dispute is whether a further payment of £170 is reasonable compensation for the inconvenience to which Mr M has been put and the distress he has suffered as a result of Amex's handling of the matter.

I realise that Mr M feels very strongly about the way Amex handled his claim for a refund, and I am aware too that he has pursued it robustly, both directly with Amex and through this service. He has clearly spent significant amounts of time in doing so.

Be that as it may, I do not believe I can fairly make a four-figure award, as he suggests I should. As the investigator noted, there is no set tariff of awards for non-financial loss, but we do publish guidelines and examples on our website. Having considered the matter carefully, I agree with the investigator that an award of £170 is appropriate in this case. It is in line with our guidelines and with awards made in comparable circumstances.

Putting things right

Amex has already agreed to the investigator's recommendation, but I will make a formal award, so that Mr M can enforce it, should he need to do so.

My final decision

For these reasons, my final decision is that, to resolve Mr M's complaint in full, American Express Services Europe Limited should pay him £170.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 May 2025.

Mike Ingram
Ombudsman