

The complaint

Mr B complains about the way in which American Express Services Europe Limited handled matters when an unauthorised payment was taken on his credit card account.

What happened

In April 2024 Mr B engaged a building firm, which I'll call "A" to carry out some roofing and decorating work on his property. The total cost of the decorating work was £3,865.42. Mr B paid a deposit on commencement of the work, using his Amex credit card.

When the work was completed, A sent Mr B a final invoice for £1,932.66. It also sent a payment request, dated 2 May 2024, which said:

Thank you for choosing [A]. Our operative has completed works at your property and we've sent your invoice in a separate email.

Please accept our payment request at your earliest convenience.

Once we receive your acceptance, we'll process the amount of GBP 1,932.66 on card ending [xxxx]. Do you wish to use another card? Please contact us [here](#).

On 2 June 2024 a payment of £1,932.66 was taken from Mr B's credit card. He contacted Amex to say that he had not authorised A to take the payment or to hold his card details. Amex began its chargeback procedure and credited Mr B's account with the payment while it did so.

As part of that process, Amex contacted A, which provided evidence that the work had been carried out and that payment was due on completion. (Mr B has not challenged either of those statements.) Amex concluded therefore that its chargeback rules meant that it could not properly refund the payment, which was re-debited to Mr B's account.

Mr B referred the matter to this service, where one of our investigators considered what had happened. He issued an assessment in which he concluded that Amex had correctly processed the chargeback. He noted as well that Amex was looking into the complaint that the payment had not been properly authorised.

Mr B did not accept the investigator's assessment and asked that an ombudsman review the case.

Subsequently, Amex has completed its consideration of Mr B's complaint about authorisation. Mr B has referred that issue to this service, where it is being considered as a separate complaint.

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 have not considered and make no comment on Mr B's complaint that the card payment taken by A was not properly authorised. This decision is concerned only with the way in which Amex handled the chargeback.

Because Amex operates as both card issuer and merchant acquirer (signing up merchants to accept its cards), it runs its own chargeback scheme under its rules. So, in this case, Amex had separate agreements with both Mr B and with A.

A was able to provide evidence that the work had been completed and that payment was due. As I have indicated, Mr B does not appear to dispute either of those matters. Be that as it may, that meant that Amex could not properly uphold Mr B's claim for a refund under its chargeback arrangements. I am satisfied therefore that it handled the claim fairly.

As I have indicated, I have not considered Mr B's complaint that the payment was not authorised, which remains the subject of a separate case.

My final decision

For these reasons, my final decision is that I do not uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 3 June 2025.

Mike Ingram
Ombudsman