

## **The complaint**

Ms A complains about the way that American Express Services Europe Limited has dealt with her claim for a refund of some of the money that she paid for some clothing.

## **What happened**

Ms A used her American Express credit card in October 2023 to pay £603.84 to a merchant for some clothing. She contacted American Express later that month because she hadn't received all of the clothing that she'd ordered so wished to dispute £183.96 of the payment. The merchant refunded £184.95 to Ms A's account later that month, but Ms A says that the refund was for some clothes that she'd returned. Ms A complained to American Express and it said that the documents that she'd provided were blurry so she was advised that she should upload them again. It apologised that she'd been given some incorrect information so upheld part of her complaint and credited £75 to her account in January 2024. A credit adjustment of £183.96 was then made to Ms A's account in February 2024.

Ms A wasn't satisfied with American Express's response to her complaint so complained to this service. Her complaint was looked at by one of this service's investigators who, having considered everything, didn't think that American Express had acted fairly. He said that American Express took too long dealing with the dispute and was unclear throughout, creating completely unnecessary inconvenience and confusion for Ms A. He recommended that American Express should pay a further £125 compensation to Ms A.

American Express accepted the investigator's recommendation but Ms A says that it isn't being held to account for putting her in financial difficulty which led to her having to borrow money, and for the call and postal charges that she incurred and that it's not clear how the compensation will be paid. As Ms A hasn't accepted the investigator's recommendation, I've been asked to issue a decision on this 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.

Ms A raised a dispute in October 2023 for £183.96 of the payment of £603.84 that she'd made earlier that month for some clothes. The merchant had refunded £184.95 to Ms A's account and it seems clear to me that American Express initially confused that refund with the dispute that Ms A had raised.

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Ms A complained to this service in June 2024, about four months after the credit of £183.96 had been applied to her account, and she claimed compensation totalling £1,805.51. The

investigator described some of the issues that Ms A had experienced and he concluded that American Express took too long dealing with the dispute and was unclear throughout, creating completely unnecessary inconvenience and confusion for Ms A. He recommended that American Express should pay a further £125 compensation to Ms A and it has agreed to do so.

I've carefully considered Ms A's claim for compensation of £1,805.51. She says that she would have saved £400 in monthly membership fees if American Express hadn't deceived her by stating that it couldn't investigate her complaint any further if she closed her account. I'm not persuaded that there's enough evidence to show that Ms A was told by American Express that it couldn't investigate her complaint if she closed her account. It did offer to close the account in November 2023 and Ms A then asked whether she'd still be able to continue with the dispute if her account was closed. American Express's representative said that he could check that but there was no agreement that he would do so. I find that it wouldn't be fair or reasonable in these circumstances for me to require American Express to refund any monthly membership fees to Ms A.

Ms A says that she had to borrow £500 from her family due to American Express failing to raise the correct amount in dispute so it should be required to pay £500 to her. Ms A disputed £183.96 of the payment in October 2023 and that amount was suspended from her account multiple times and the suspensions were then removed. £183.96 was credited to Ms A's account in February 2024. American Express says that a temporary credit of £603.84 was never applied to Ms A's account. I'm not persuaded that there's enough evidence to show that the actions of American Express made it necessary for Ms A to borrow £500 and I find that it wouldn't be fair or reasonable in these circumstances for me to require American Express to pay to Ms A the £500 that she's claimed.

Ms A says that she had to pay £7.82 for paper, ink and postage to send screenshots for her claim to American Express and that she incurred phone call charges of £59.81 because she was calling from overseas. It was fair and reasonable for American Express to require Ms A to provide evidence to support her claim for a refund and it was Ms A's decision to call American Express when she was overseas. I don't consider that it would be fair or reasonable in these circumstances for me to require American Express to reimburse her for those costs.

Ms A has claimed £837.88 for the stress and anxiety that she's been caused and the time that she had to invest in dealing with her claim. American Express has already credited £75 compensation to Ms A and it has accepted the investigator's recommendation that it should pay her a further £125 compensation. I'm not persuaded that it would be fair or reasonable for me to require American Express to compensate Ms A for the time that she's spent dealing with her claim. I consider that a total of £200 is fair and reasonable compensation for the distress and inconvenience that Ms A has been caused by American Express's failings in properly dealing with her claim. I'm not persuaded that a higher award of compensation is justified in these circumstances.

### **Putting things right**

American Express has already paid £75 compensation to Ms A and I find that it would be fair and reasonable in these circumstances for American Express to pay her a further £125 to compensate her for the distress and inconvenience that she's been caused. Ms A didn't accept the investigator's recommendation so I appreciate that she will be disappointed by my decision, but I find that it wouldn't be fair or reasonable in these circumstances for me to require American Express to pay her more compensation than that or to take any other action in response to her complaint.

### **My final decision**

My decision is that I uphold Ms A's complaint and I order American Express Services Europe Limited to pay a further £125 compensation to Ms A.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 29 April 2025.

Jarrold Hastings  
**Ombudsman**