

The complaint

Mr S complains that American Express Services Europe Limited ("Amex") collects his direct debit up to 14 days before the payment's due date.

What happened

Mr S says that his British Airways Amex card offers a maximum of 56 days interest-free on purchases. However, he says, the date that Amex collects his direct debit precludes this as it is taken 10-14 days in advance of the due date. Mr S adds that Amex suggested paying manually, but that is not satisfactory because, he says, it is an inconvenient, unreliable, unregulated and insecure alternative.

In effect, Mr S says, Amex has had use of his money for up to two additional weeks every month since 2011 which is a substantial cashflow, interest and opportunity loss on an average monthly spend of £3,000.

Amex says it collects the direct debit 10-14 days before the statement due date to ensure payments are processed seamlessly and to avoid any potential delays that might lead to overdue payments. It says it cannot alter the standard schedule as it is designed to provide all card members with a consistent service. Amex says Mr S could consider paying manually instead, but that it could not identify that it had made any errors.

Our investigator did not recommend the complaint should be upheld. He found that the account and the direct debit date are both operating within the terms and conditions of the account and that no errors had been made.

Mr S responded to say, in summary, that:

- There is no reference to the timing of the direct debit in the account's terms and conditions, nor their key facts summary;
- The offer of a 56-day interest free period is misleading;
- Other credit card accounts collect the direct debit on the due date;

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 can see that the product summary for Mr S's credit card says the interest free period is a *"Maximum <of> 56 days on purchases if you pay the full amount you owe on each statement date on time each month"*.

However, Amex's internal processes state that the direct debit collection day is approximately *"12 days after the statement date"*.

So, Mr S is correct when he says that a customer who pays by direct debit cannot access the maximum interest free period.

I acknowledge that Mr S says his other credit card providers collect direct debits on their due dates, but this service does not have the power to instruct a business to change its processes. That is the role of the regulator, the Financial Conduct Authority.

This service does have the power to put a customer back in the position in which they would have been if a business has made a mistake or acted unfairly. However, as I don't find Amex has made any errors in the processing of Mr S's direct debits, that is not the case here. So, I cannot ask Amex to do anything further.

My final decision

My decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 August 2025.

Amanda Williams
Ombudsman