

The complaint

Mrs N has complained about the way American Express Service Europe Limited (“AMEX”) dealt with a claim for money back in relation to a villa she paid for with credit it provided.

What happened

In March 2024, Mrs N used her AMEX credit card to pay the deposit for a villa through an agent I’ll refer to as O. She paid the remaining balance in May 2024. In total she paid just over £17,800 and booked to stay between 24 August 2024 to 9 September 2024. The booking was for 10 adults.

Mrs N incurred an array of problems including but not limited to the air conditioning breaking down in parts of the property, not being happy with the bed sheets provided, the dirt road leading up to the villa being difficult to get through – and mainly difficulties faced in getting to and from a boat she hired that was moored at the villa. Mrs N said easy access to the beach, and the boat she hired to travel round the area was fundamental to her trip and the difficulties she faced with getting to and from the boat significantly affected her enjoyment of her holiday. She said this left her having to cook most of her meals rather than venturing out to eat out like she had planned.

On return from the holiday, she contacted O directly detailing the list of complaints, explaining she felt the villa had been misrepresented to her and she wouldn’t have booked the villa if she’d known how difficult it would be to access it. She says the number of difficulties faced made the holiday very stressful and she wanted a refund of 50% of the cost of the booking.

O contacted the provider of the villa directly who said on arrival, they offered Mrs N a full refund if she wanted to leave given how unhappy she was, but she rejected the offer and decided to stay at the villa. O said the owners had told them that they’d made every effort to deal with the issues locally, such as fixing the air conditioning within three days, fixing the electrics soon after being notified there was a problem and showing her where more bedsheets could be found in the villa. O offered Mrs N £500 cash for the problems experienced plus a £1500 credit voucher to be used in any future bookings.

Unhappy Mrs N raised a complaint with AMEX – seeking a 50% refund of what she’d paid. AMEX raised a chargeback and credited £9,000 to Mrs N’s account while it considered the dispute. But O defended the dispute explaining that Mrs N and her party had stayed at the villa for the full duration of the booking and that it has offered her £2000 compensation (including cash and vouchers) in recognition of the service issues she’d raised. AMEX then re-debited £7,000 to the account explaining that the chargeback had been defended, and it didn’t feel she was entitled to the refund of 50% like she’d asked for. But for the same reasons as those stated by O, it allowed £2,000 to remain in her account as a gesture of goodwill.

Mrs N decided to refer her complaint to the Financial Ombudsman. She re-iterated that the villa had been inaccurately described, and she felt a 50% refund was a fair way to resolve her complaint.

Our investigator looked into things and felt the way AMEX dealt with Mrs N's chargeback request was fair. Based on the available evidence that Mrs N used the villa for the duration of the two weeks, she didn't think AMEX was wrong not to pursue the chargeback any further. She said that while AMEX hadn't considered a claim under Section 75 of the Consumer Credit Act 1974 ("s.75"), for the same reasons as those mentioned in the chargeback dispute, she didn't think a claim would have succeeded in any event. She added that Mrs N was offered a full refund but decided to stay and so she felt a partial refund didn't seem unreasonable when the villa had been used for the duration of the holiday. So, she didn't make any recommendations to AMEX.

Mrs N didn't agree explaining she was unable to take up the offer of a full refund at the time as she and her party of 10 had nowhere to go and she'd already rented a boat to be moored alongside the villa. Realistically, she had to stay and make the best of the situation. She didn't feel the £2,000 AMEX had credited was a fair amount of money given the significant problems she experienced at the villa, and she wanted a further £7,000.

As things weren't resolved the complaint was passed to me to decide. On 8 July 2025, I wrote to both parties to explain why I didn't think the complaint should be upheld. I asked both parties to make any final comments before I completed my review of the case. AMEX didn't make any further comments. Mrs N disagreed with my findings and reiterated a number of concerns. I will address her concerns below.

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 my provisional decision I explained the following:

Firstly, I'd like to reassure Mrs N, that I have considered all her concerns carefully, but I will only be dealing with the most salient parts of the complaint in this decision as I'm required to decide matters quickly and with minimum formality.

Chargeback

Firstly, it may be helpful to explain that each credit card provider acts under specific chargeback rules that may be different with other credit scheme providers. The rules are very specific and detailed and usually there's little room for discretion – and they are simply applied to a case as they are.

I understand AMEX did raise a chargeback, but this was successfully defended by O as it confirmed that Mrs N had stayed in the villa for the duration of the entire two week booking. So, AMEX decided not to pursue the chargeback any further. The rules allow AMEX to claim refunds (whether full or partial) on very specific grounds such as services having been cancelled or refused (neither of which happened here). As explained by our investigator, given Mrs N stayed at the villa for the full duration of the booking, I don't think AMEX's response to the dispute was unreasonable under the scheme rules. Mrs N also wanted a 50% refund, despite staying at the villa for the full duration of the booking, so I don't think a chargeback claim would have resulted in the outcome she was seeking. So, I don't think it was wrong for AMEX not to pursue this dispute any further.

Given that O offered a refund of £2,000 for the service concerns raised by Mrs N, AMEX also appears to have only re-debited £7,000 and allowed a credit of £2,000 to remain in the account as a goodwill gesture. I don't think the stance AMEX took was unfair based on the circumstances of this case.

Section 75 claim

Once AMEX decided that it was unlikely it could retrieve the money through the chargeback scheme, I think it should have considered a s.75 claim. But had it done so, I don't think it would have led to the outcome Mrs N appears to want so I don't intend to direct AMEX to do any more than it already has.

Although AMEX hasn't considered the claim itself, given that I am making no recommendations and AMEX hasn't in any event objected to our consideration of her claim, I have gone on to assess whether it's likely that a s.75 claim would have led to a different outcome.

Initially, I would explain that I understand how disappointed Mrs N must feel given she's paid significant sums for a holiday experience and believe her enjoyment would have been affected by the problems she experienced. But it may be helpful to explain that I need to consider whether AMEX – as a provider of financial services – should do any more in response to her claim under s.75. But it's important to note AMEX isn't the supplier. S.75 is a statutory protection that enables Mrs N to make a 'like claim' against AMEX for breach of contract or misrepresentation by a supplier when goods or services were bought using a credit card. But it's important to note that AMEX isn't O and isn't responsible for everything that might've gone wrong with O. AMEX is also not responsible for anything that might have gone wrong with any other contracting parties (see below).

There are certain conditions that need to be met for s.75 to apply. From what I've seen, I think those conditions have been met but I think AMEX is only responsible for responding to only part of Mrs N's claim and I'll explain why. In order to raise a claim under s.75, Mrs N (the debtor) must have used her credit card with AMEX (the creditor) to pay O (the supplier). S.75 does not extend protection to contracts that consumers might have with any other parties. O's terms specify that it is responsible for booking the villa- but the delivery of the service is done by the villa owners directly – and Mrs N has a direct contract with the villa owner. My understanding is that there is no such "like claim" against AMEX for any problems Mrs N might have had with the villa owners on the delivery of that service. That is not to say that Mrs N doesn't have a claim against the villa owners, or that things haven't gone wrong, but it does mean, in my view, that AMEX isn't responsible for responding to those claims.

Breach of contract

As this booking wasn't made alongside any other bookings through O, it is not a packaged holiday so the rules in relation to packaged holidays aren't applicable to this complaint. O is therefore only responsible for the offer it made which was to book the villa for Mrs N which it did, so I don't think there has been a breach of contract on the part of O. However, O may be responsible for any misrepresentation it may have made during the sale (which I'll consider below) – but the delivery of the service was to be met by the villa owners. O (and consequently AMEX) is not responsible for responding to any breach of contract claims Mrs N may have against the villa owners directly.

Misrepresentation

I've considered if there is persuasive evidence of a misrepresentation by O that means AMEX should have offered something different in response to Mrs N's dispute.

Mrs N has detailed a list of information she feels was misleading and had she known the true state of the villa she wouldn't have booked it. The Consumer Rights Act 2015 (CRA) is relevant to this complaint. The CRA implies terms into the contract that suppliers must

perform any services with reasonable care and skill. The CRA also sets out what remedies are available to consumers if statutory rights under a goods or services contract are not met.

My concern with this case is that Mrs N's main area of concern is about getting to and from the villa by both the road and boat was challenging and she feels this was misrepresented to her – had she known how difficult it would be, and that it would result in her staying at the villa and cooking each night rather than venturing out to eat out, she wouldn't have booked the villa. In order to make a successful claim against AMEX for misrepresentation, Mrs N would have to show that O provided her with mis-leading or inaccurate information and that she relied on said information before entering into the contract.

But I can see that during the booking process – the key information set out that “Access to the villa is a challenging, so it is recommended to have a car with four wheel drive”. It seems Mrs N was told that access to the villa via road would be challenging and a specific type of vehicle was recommended – and although I understand Mrs N was unable to rent the type of vehicle recommended, that doesn't mean the information given to her was mis-leading. So, I'm not satisfied that O made a misrepresentation regarding access to the property via road.

Additionally, the villa was advertised as having mooring facilities which makes it easy to explore the coastline. Mrs N accepts mooring facilities did exist and she was able to moor the boat hired. However, she says she assumed the boat could be brought alongside the villa but found there was no suitable pier/jetty to bring the boat alongside. But I haven't seen anything that suggests she was told by O that they had a suitable pier or jetty to bring the boat alongside the villa. So, it doesn't seem to me that O gave Mrs N any misleading information about this. I would add that it looks like prior to visiting the villa, Mrs N was given details of the specific mooring capacities available at the villa, and the owners said that a smaller rowing boat could be arranged to help her and her party get to their boat. Mrs N replied that it would be helpful to have the smaller boat so they wouldn't have to swim out to their boat – and it seems like this was arranged. This was from July 2024 – long before Mrs N arrived at the villa. The villa owners also mentioned that they have rented this property several times with the boats the size Mrs N hired, and their clients used the smaller boat to access their bigger boat. And no one had raised the concerns Mrs N had raised.

So, it seems to me that O hasn't provided Mrs N with any inaccurate or misleading information specifically. And the villa owner made it clear what mooring capabilities it did have. O didn't say there was a pier or a jetty like Mrs N assumed which could be used to bring her boat alongside the villa – so this wouldn't amount to a misrepresentation. Mrs N was aware that a smaller rowing boat had been arranged so she and her party could use that to get to the boat they hired – and this was all made clear months before the start date of the holiday. Additionally, Mrs N says it was not easy to access the coastline like O stated – but this is a matter of opinion. In order for me to instruct AMEX to uphold her claim, I'd need persuasive evidence that the villa has been misrepresented to Mrs N, rather than a difference of opinion. Given other clients haven't raised such concerns and Mrs N was aware of the facilities before going on the holiday, was offered a full refund and cancellation prior to staying there, and she'd stayed there for the full two weeks – I think it would be difficult for me to order AMEX to uphold her claim for misrepresentation by O.

I would add that it's not clear who (either O or the villa owners) would be responsible for answering an alleged misrepresentation claim. This is because O's terms and conditions (that Mrs N agreed to when she made the booking) also specify that the information available on its website is provided by the property advertisers and it will not be held liable for any errors or misunderstandings or claims arising out of that. But in any event, for the reasons explained, I don't think there's sufficient evidence that the villa was misrepresented to Mrs F.

So, while I can see the villa didn't meet Mrs N's expectations, I don't find there's sufficient grounds to safely conclude that the information she was given was mis-leading or that the villa has been misrepresented to her by O. So, I don't think there's enough here to make a successful claim against AMEX under s.75 of the CCA.

In any event, even where a misrepresentation claim exists, consumers have the right to get a full refund and cancel the contract as if it didn't exist. But Mrs N was offered this by the owners of the villa which she refused. I understand her reasons for refusing, but this does still mean she was offered the remedy when goods and services have been misrepresented – which she declined.

I accept there was several customer service issues such as the electrics failing, the air conditioning not working in parts of the property, and Mrs N's dissatisfaction with the bedsheets – but these appear to have been promptly dealt with and resolved during her stay there. And I would re-iterate that I am only looking at a complaint against AMEX – and its only responsible for breaches of contract and misrepresentation of O (not for any failings of the villa provider). O (and therefore AMEX) is not responsible for everything that might've happened during her stay there – such as the customer service issues she's mentioned.

I understand Mrs N feels a price reduction is warranted here due to the poor service she experienced and due to the fact that the villa didn't match her expectations given the significant sums she paid for it. AMEX is only obligated to offer a remedy where a breach of contract or misrepresentation by O has been established, which isn't the case here. And while I understand Mrs N might expect a company like O to consider gestures of good will and offer price reductions where consumers have experienced poor customer service – this doesn't give rise to a like claim against AMEX.

Additionally, there is no exact science in working out what a fair price reduction is – Mrs N had said she feels it should be 50% but hasn't explained why she feels that figure is fair, how she reached that figure when she's made use of the villa for the full duration of the booking. O offered Mrs N £500 cash refund and £1500 voucher and explained this is because she used the villa for the full duration of the booking but was dissatisfied with her stay. AMEX also allowed £2,000 to remain in her account following its investigation into the dispute as a goodwill gesture. I haven't seen anything that explains why Mrs N is entitled to more. Bearing all of this in mind, I don't think a further remedy is warranted in this case.

Given Mrs N was aware of the limitations of the villa prior to attending, but still chose to go ahead with the booking, I think it's fair for her to pay for the villa she used for the full duration of the stay. I also understand, despite there being insufficient evidence of a misrepresentation or breach of contract on the part of O (the only instances where AMEX would be liable to offer a remedy), she was still offered a full cancellation and refund which she didn't utilise. She was also given a price reduction by both O and AMEX despite there, in my view, being no valid claim under s.75.

So, to me, it seems if I were to ask AMEX to consider a claim for misrepresentation and or breach of contract, there wouldn't be sufficient grounds for me to force it to offer a remedy under s.75 – so I don't direct it to do any more. While I understand Mrs N is unhappy, with s.75 in mind, I don't find there are grounds to direct AMEX to refund her 50% of the full cost of the holiday. I also don't think the way AMEX handled her chargeback claim was unreasonable. So, I don't intend to uphold this complaint.

I will look at any further comments both Mrs N and AMEX wish to make but, unless that information changes my mind, I don't intend to uphold this complaint. But I should, however, point out Mrs N doesn't have to accept this decision. She's also free to pursue the complaint by more formal means such as through the courts.

Ms N made a number of comments in response to my provisional findings including the following:

- Based on the representation made by O on their website, it was implied that the boat could be brought alongside the villa as would be expected when a pier is available. The definition of pier includes being used for docking boats.
- That O said it would be easy to explore the coastline and this wasn't the case.
- She added that the dinghy provided could only take two people and has signs of damage and was unstable.
- She felt the gradual entrance to the sea was rocky and stoney, one needed to be strong to use it, and it couldn't be used if there were waves.
- The advert also said the villa was ideal for kids, but it wouldn't have been possible to take children in and out of the sea.
- She added that although a 4-wheel drive was recommended to travel by road, it was possible to use their two-wheel drive, but it wouldn't have been safe to do this in the night after dinner and therefore she felt this was also misrepresented to her.
- She reiterated that it wouldn't have been feasible for her to accept the offer of a refund as it wouldn't have been possible to find accommodation that could accommodate her guests as well as moor the boat she'd already arranged at such short notice.
- She feels that she only paid O, no one else so O should respond to her complaints and due to the failings, AMEX should pay her the £7,000 she's requested.

I want to reassure Mrs N that I've again thought carefully about Mrs N's complaint points but will only address the key points below. Having reviewed everything again, I'm not satisfied there's sufficient evidence here that the villa has been misrepresented to her.

The advert provided brief details about the villa with vague opinions about it but did have a relevant warning about access via road. I re-iterate O didn't explicitly make the assertion that the boat could be brought alongside the villa, and while I understand why Mrs N assumed it could be, piers have multiple uses, and not all piers are used for docking boats. And, as I explained above, O didn't say this one could be used to bring the boat alongside.

I would add that Mrs N's view that only strong people could use the entrance to the sea, or that kids couldn't be taken down to the sea, or that it wasn't easy to explore the coastline, is just that – her opinion, which differs to that of the villa owners who provided the information contained on O's website. This isn't sufficient to amount to a misrepresentation.

I also understand there were no children among Mrs N's group of guests in any event – so she unlikely booked the villa based on any representations regarding children. It is not enough that a statement be misleading to uphold a claim, but consumers would need to show that any misleading statements were relied on and were a driving factor that led to the booking. Which isn't the case here.

I can see the description lacked detail such as the entrance to the sea being rocky and stoney. But I'm afraid, none of this is sufficient to amount to a misrepresentation. It was marketing material with limited information about the villa. And O's terms specifically said that it is the consumers *"responsibility to make relevant enquiries with the owners"* before *"renting any of the properties"*.

I appreciate Mrs N may have been unaware of a number of the specific details about the property, but this doesn't mean the villa was misrepresented. According to the terms she agreed to, it was up to her to contact the villa owners and make sure the villa was suitable for her needs before she booked it, rather than rely on the very vague information available on O's website. None of which was incorrect but perhaps lacked some detail – which is to be expected on an advert and/or marketing material. It wasn't a comprehensive breakdown of everything consumers needed to know and didn't purport to be, it was an advert promoting a villa – and consumers were expected to make enquiries about the specific nature of the villa before booking it.

Mrs N's concerns regarding the state of the dinghy, as I explained in my provisional decision, is regarding the delivery of the service by the villa owners and she has a separate contract with the villa owners. So, any concerns regarding that will not be covered by her s.75 claim against AMEX. I understand that she feels she only paid O, so it should be liable to respond to her claims, but I'm afraid this simply isn't the case. She agreed to O's terms when she made the booking, and it explicitly says it is contractually only obligated to book the villa for her, which it did, so there's been no breach of contract on the part of O. Any contractual failings under her contract with the villa owners, will not be protected by s.75 and not something AMEX will be responsible for.

I appreciate that the villa didn't meet Mrs N's expectations, and I sympathise with her position, especially given how much she paid for it. But s.75 protection is a limited one, and AMEX is only responsible to put matters right in a narrow set of circumstances, which is when there is an established breach of contract and/or misrepresentation on the part of O. Being disappointed with the villa, and it not matching her expectations, isn't sufficient to give rise to a s.75 claim unless she can evidence that O has breached the contract or has misrepresented it to her – neither of which happened here.

Having considered this case again in its entirety, I see no reason to depart from my findings as set out in my provisional decision. I am still not satisfied the villa was misrepresented to Mrs N so I don't think AMEX needs to do anything in relation to her s.75 claim. I also don't think the way it dealt with her chargeback claim was unreasonable. So, for the reasons explained, I do not uphold this complaint. I would again reiterate that Mrs N doesn't have to accept this decision. She's also free to pursue the complaint by more formal means such as through the courts.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 28 August 2025.

Asma Begum
Ombudsman