DRN-5780014

The complaint

Mr S complains that American Express Services Europe Limited trading as American Express ('Amex') advised him to set up scheduled payments on his credit card account, but these didn't work as expected. Mr S is unhappy he incurred interest, and was caused upset and inconvenience.

Mr S is very unhappy with how Amex communicated with him about this and wants Amex to recognise, at the highest level, that their processes need to change.

Mr S seeks a full investigation, a direct point of contact at Amex going forwards, an apology, and for the issue with his payments to stop immediately.

What happened

Mr S is a longstanding customer of Amex.

Mr S complained to Amex after they'd advised him to set up scheduled payments and these hadn't worked as expected. Mr S was upset that he'd been charged interest as he always paid his credit card in full to avoid this. Mr S wasn't impressed that this had kept happening, nobody had contacted him about it, and he'd had to contact Amex numerous times for an explanation and solution.

Amex upheld Mr S's complaint and explained his scheduled payments had been handled as same day transactions which had taken him over his bank's daily limit – which meant some transactions hadn't gone through and Mr S had incurred interest due to the timing of payments.

Amex suggested a way around this and refunded the interest from all the affected transactions. Amex paid Mr S £25, followed by a further £50, to recognise Mr S's distress and inconvenience and as a gesture of goodwill.

Mr S referred his complaint to the Financial Ombudsman Service and our investigator thought Amex had offered Mr S a fair resolution, so didn't recommend Amex take further action.

Mr S wasn't happy with the conclusions of our investigator and asked for an ombudsman's decision, noting he'd continued to correspond with Amex and had received a further £150.

Mr S stressed how important it was to him that the issues he'd raised were acknowledged and rectified by Amex. Mr S highlighted that this matter had made him very ill.

<u>My provisional decision</u>
I recently sent the parties my provisional decision, saying:

"I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint. I've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

I think it's important to say that my review of this matter is independent. There is no incentive for me to agree with our investigator, or to find for one party over another.

I realise Mr S has found this entire matter very upsetting and I'm sorry to hear about it impacting his health. My findings are not intended to add to what is already a difficult time for Mr S, but I don't intend to uphold his complaint. That's not because I think his complaint to Amex was without merit, it's because I'm inclined to say Amex have offered a fair resolution to put things right. I'll explain why.

Given some of the points Mr S has raised, I feel it's helpful to first set out the scope of my powers when considering his complaint.

It's clear from Mr S's submissions that he'd like to drive change in terms of Amex's communication with their customers and their overall accountability. Mr S has vast career experience helping consumers – often vulnerable, in challenging situations – and I recognise he wouldn't want anyone else to repeat his recent experience with Amex.

The Financial Ombudsman Service doesn't have the power to make rules for financial businesses, in terms of directing that they should change their policies or procedures. That is the role of the regulator, the Financial Conduct Authority ('FCA'). This means that I have no power to direct Amex to make changes to how they run their business.

My role is to resolve individual complaints based on what is fair and reasonable in the circumstances of each case. I can do this in a relatively informal way. So whilst I'll comment generally, I should clarify that I don't need to make a detailed finding on every aspect of what happened in this matter, as it's accepted that there was an unanticipated issue with Mr S's scheduled payments and he was provided poor service as a result.

I've focused on whether Amex's actions, and stance taken, are fair and reasonable in the circumstances of Mr S's complaint.

I've looked at the impact of what went wrong. First, interest was charged. Second, and what I think is at the heart of this complaint, Mr S was caused distress and inconvenience trying to manage his account and get to the bottom of what had happened.

I've read the correspondence between the parties and I can see there's been a lot of to and froing, and multiple complaint points.

I'm inclined to say Amex provided a fair explanation for the issue with the scheduled payments and reasonably suggested ways Mr S could pay in future without the risk of this happening again. It took some time to identify what was going wrong and communicate this to Mr S, but all the interest charged because of the payment problems was refunded, which I'm minded to say was fair.

I sympathise that Mr S didn't always get responses when he replied to Amex's emails. Amex say their emails to Mr S stated replies wouldn't be monitored. I note that Amex's letter dated 5 February 2025 advised that Mr S could reply to Amex's email address although more recently Mr S was informed Amex don't offer email servicing.

I'm not minded to delve too far into this. That's because I'm inclined to say Mr S's complaint points were addressed, though he wasn't satisfied with the responses and chose to *correspond further. However I do acknowledge Mr S felt dismissed and I'm minded to say this has contributed to his strength of feeling in this matter.*

I think there was some effort to recognise Mr S's distress and inconvenience in Amex's initial offers of compensation, which amounted to £75. Since then, matters have moved on and Mr S has been paid a further £150.

I've reviewed how this came about. Amex's letter to Mr S dated 2 May 2025 responded further to Mr S's concerns about his scheduled transactions, not being notified these had failed, issues with contacting Amex and with receiving post, and that he'd not had a response to his correspondence from 16 January 2025. I'm minded to say these are substantively the same issues Mr S asked the Financial Ombudsman Service to investigate.

Amex said they'd paid Mr S a further £150 as a goodwill gesture to "acknowledge that there has been a lack of clarity around the payments, the billing of interest and the refunds as well."

In follow up correspondence on 20 May 2025 Amex reiterated their position and said, "the complaint has now been forwarded to the Financial Ombudsman Service for independent review."

I'm therefore inclined to say it's appropriate to consider Amex's recent payment of £150 as part of the resolution to Mr S's present complaint. That means Mr S has received £225 compensation, in total.

Considering what's happened and the Financial Ombudsman Service's guidelines for awards of this nature, I'm minded to say this is a fair sum for the overall distress and inconvenience caused to Mr S. I'm inclined to say it's more than I would have awarded if Amex had not made a fair and reasonable offer of compensation.

I know Mr S's complaint wasn't mercenary and he wanted other measures taken to put things right. I can see that Amex gave a sincere apology in their final response letter dated 14 February 2025, and I was pleased to note Amex gave feedback to their internal teams.

As I've said above, I do have limited powers. I can't force Amex to provide a direct point of contact for Mr S, but if Amex can accommodate this or provide other similar support measures to Mr S then I would encourage this to be put in place going forward.

For the reasons I've outlined, I don't intend to ask Amex to take further action on this occasion as I consider the resolution they've provided to Mr S is fair and reasonable in these circumstances."

<u>Responses to my provisional decision</u>
Mr S was very frustrated as he felt matters had been unaddressed and he highlighted letters sent to our Service which he invited me to consider.

Mr S was also disappointed with my findings and didn't think the Financial Ombudsman Service was fit for purpose. He said in his opinion financial companies need to be made aware that treating account holders with serious failings and total rudeness and disrespect will not be tolerated. Mr S said that while compensation is not the sole answer sums awarded need to fully reflect what can sometimes be extremely distressing.

Amex didn't have anything further to add.

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 confirm I have read the letters Mr S referred me to, along with all the other correspondence and evidence on file from both parties.

I am sorry if Mr S felt aspects of his letters were being ignored. This isn't the case, rather I have focused on my role as an ombudsman which is to review the complaint Mr S has made to Amex. I do think Mr S is right that if he wishes to raise new matters with Amex such as the way interest is calculated, this will need to be a separate complaint.

I understand Mr S wants Amex to examine and explain why things went wrong, and I'm glad to hear he's not had further problems with scheduled payments. I recognise Mr S would like the Financial Ombudsman Service to make an example of Amex for their failings.

I can't compel Amex to investigate complaints in a certain way, nor would I typically ask them to give me detailed reasons where they accept something went wrong. Importantly, where something has gone wrong, I have no power to punish or fine a business or direct that they change their process or procedures. That power lies with the FCA.

Mr S is understandably frustrated with these limits on my powers because I've not got the authority to put things right in the way Mr S was hoping. The ambit of the Financial Ombudsman Service is determined by Parliament and isn't something I can change or deviate from. If I act beyond my remit, my decision isn't binding.

I know this will be disappointing for Mr S but I have decided that I don't need to ask Amex to take further action to fairly resolve Mr S's complaint on this occasion, as I think the compensation of £225 they've already paid to Mr S is fair and reasonable. I therefore adopt my provisional decision as my final decision, for the reasons given.

My final decision

For the reasons I've outlined, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 September 2025.

Clare Burgess-Cade
Ombudsman