

The complaint

Ms J complains that AMERICAN EXPRESS SERVICES EUROPE LIMITED (“AESEL”) did not properly pursue a chargeback or accept her section 75 Consumer Credit Act 1974 (“s.75”) claim.

What happened

Ms J booked flights to an overseas destination with an airline. She has explained that she arrived at the airport in good time, but due to delays clearing security she missed her flight. She had to book a later flight at additional cost. The cost of the missed flight totalled £1,766.49 including seat selection and extra baggage.

She contacted AESEL the day after the missed flight was due to depart. It raised a chargeback, but this was defended by the airline. It said the flight was provided and Ms J had checked in, but had not boarded. She was recorded as a no show. I gather one of her bags made it to the destination and the other remained in the UK. AESEL told Ms J that the chargeback had not been successful. She complained but this was rejected by AESEL.

Ms J brought a complaint to this service where it was considered by one of our investigators who didn’t recommend it be upheld. She noted the ticket was in the name of a third party, Ms J’s partner I believe, and said that this may prevent a claim under s.75. However, she didn’t believe there was any basis for a successful chargeback or s.75 claim.

Ms J felt it was unfair she had to bear the extra cost due to the delays at the airport. She asked that the matter be considered by an ombudsman.

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 every sympathy with Ms J but I do not consider I can uphold her complaint. I will explain why.

There were two routes open to Ms J to pursue her claim, a chargeback or a claim under s.75.

Chargeback is a voluntary scheme run by the card scheme operator to process settlement disputes between the card issuer (such as AESEL) – on behalf of the cardholder (Ms J) – and the merchant (here it’s the airline Ms J made the payment to). It is not a legal right that the cardholder has.

The scheme operator sets the chargeback rules and time limits for transactions made using the card scheme. And it is the scheme operator that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder’s behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn’t necessarily expect it to raise a chargeback.

Although AESEL does not appear to have considered s.75 I will address this option. This legislation offers protection to customers who use certain types of credit to make purchases of goods or services. Under s. 75 the consumer has an equal right to claim against the provider of the credit or the retailer providing the goods or services, if there has been a misrepresentation or breach of contract on the supplier's part. For s. 75 to apply, the law effectively says that there has to be a

: • Debtor-creditor-supplier agreement and

- A clear breach of contract or misrepresentation by the supplier in the chain.

Our role isn't to say if there has been a breach of contract or a misrepresentation for a valid claim under s. 75 but to consider if AESEL has come to a fair outcome based on the evidence provided.

Ms J booked a flight and the airline reserved the seat she chose. In short, she entered into a contract with the airline whereby it would provide her with a seat on a flight at an agreed time on an agreed day. It had no responsibility for the operation of the airport or the length of time it took to clear security. That falls to the airport and not the airline. I appreciate Ms J has told us she arrived in good time and checked in and so does not consider herself to be responsible for missing the flight. However, neither is the airline.

My role is to consider what AESEL could have done to assist her in getting a refund and I believe it did all it could. It has no brief to engage with the airport. It contacted the airline which sold the flight and raised a chargeback. In turn the airline put forward a credible defence and there was no basis for taking the chargeback any further.

As for s.75 I cannot see that the airline can be held responsible for any misrepresentation or breach of contract. It provided the seat on the flight as agreed and it is not responsible for Ms J not boarding.

I appreciate Ms J will be disappointed with my decision, but I cannot say that AESEL did anything materially wrong.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 20 October 2025.

Ivor Graham
Ombudsman