

## **The complaint**

Ms B complains American Express Services Europe Limited (“American Express”) unfairly declined her Section 75 claim, for a transaction made on her credit card.

## **What happened**

The background to this complaint is well known to both parties, so I won’t repeat it at length here. I understand the Financial Ombudsman has previously considered a complaint about American Express in relation to this transaction, so I’m only able to comment on events that we haven’t previously considered.

In summary, Ms B paid for a new conservatory roof to be installed at her daughter’s home in 2020, with a company I’ll call “U”. Ms B paid for this via her American Express credit card. U went into liquidation in 2022, and Ms B says the works to the conservatory were never completed to a satisfactory standard.

In March 2025, Ms B submitted an independent report detailing problems with the roof to American Express and asked that it consider its liabilities under Section 75 of The Consumer Credit Act 1974 (“Section 75”).

American Express initially declined to consider the dispute further, on the basis our Service had previously issued a decision on the matter. It was then clarified that Ms B had provided further information – the independent report – so American Express considered the claim further.

Having considered the claim, American Express said it didn’t think there was the necessary relationship, known as a Debtor-Creditor-Supplier (DCS) agreement, to mean it was liable under Section 75. So American Express declined Ms B’s claim having received the independent report.

The complaint was referred to our Service and one of our Investigator’s then looked into what happened. She thought American Express had been reasonable in its consideration of Ms B’s claim, so didn’t recommend it do anything further.

Our Investigator said that although Ms B paid for the roof, as this was for her daughter’s home and her daughter had entered into the contract with U, American Express wasn’t liable under for problems with the roof under Section 75.

Ms B disagreed with our Investigator’s opinion. She said she arranged all the works with U and was living at her daughter’s home at the time of the works being carried out.

As the matter wasn’t resolved, the complaint has been passed to me to decide.

## **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've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

Having done so, I'm sorry to disappoint Ms B, but I've reached the same conclusions as our Investigator for broadly the same reasons. I would however like to start by acknowledging everything Ms B's told us. It sounds as if it's been a particularly difficult few years, and I imagine concerns about the conservatory roof will only have added to this, so I'm sorry to hear of the challenges Ms B and her family have faced.

In saying that, in this decision, I'm limited to considering the actions of American Express as the financial services provider. And in considering the actions of American Express I'm further limited to deciding only whether it fairly considered her Section 75 claim having been provided with an independent report. That's because our Service has considered a previous complaint related to this transaction.

In response to our Investigator's opinion, I also note Ms B raised concerns over whether American Express should have provided better advice and guidance when she queried what sort of report to obtain in early 2025, given the potential DCS issues. American Express has confirmed it hasn't received a complaint about this, so it's not then within my power to comment on this aspect within this decision.

Ms B would first need to raise any concerns she may have about advice she received earlier this year with American Express directly, and if she remained unhappy, she could then ask our Service to consider this further under a new case.

Section 75 is a statutory protection which says, in certain circumstances, if Ms B paid for goods or services, in part or whole on her American Express credit card, and there was a breach of contract or misrepresentation by the supplier, American Express can be held liable. But there are certain conditions that need to be met for Section 75 to apply. One of these is that there needs to be a 'debtor-creditor-supplier' (DCS) agreement in place between the parties to the transaction.

American Express doesn't think there is the necessary DCS agreement in place to make it liable under Section 75 for these transactions. So, I've considered whether American Express is reasonable in saying this.

American Express doesn't think there's a DCS agreement for two reasons. The first is because the payments went through what's known as a payment facilitator, meaning it thinks there's too many parties involved in the transaction.

I however don't think American Express is necessarily correct on this point, as even if the payments were processed through a payment facilitator, I think this is unlikely to break the DCS agreement. I haven't however needed to make a determination on this aspect, as I do think American Express is correct on its second point; that although the works were paid for by Ms B, she hadn't entered into the agreement with U, rather her daughter had, which means there is no DCS agreement.

Ms B had the credit relationship with American Express because she used her credit card to pay for the works, so she was the 'debtor'. American Express was the 'creditor'. U was the 'supplier'. For there to be a valid DCS agreement, I would need to be satisfied that Ms B contracted with U.

However, I don't think the evidence supports Ms B was contracting with the supplier. The paperwork, such as the sales invoice is in her daughter's name and the works were carried out at Ms B's daughter's home. So, the contractual position is clear, her daughter was the client of the supplier, rather than Ms B. Similarly, my understanding is it was Ms B's daughter who completed the necessary paperwork with the local council, as it related to works at her home.

Therefore, I think American Express' assessment that there isn't a DCS agreement in place is correct, meaning this condition hasn't been met, so as to make American Express liable.

I've taken on board Ms B's comments that she was living at her daughter's home at the time of the work being carried out. But I'm afraid, this in itself isn't enough to satisfy me that she formed a contractual agreement with the supplier here or that there is a valid DCS agreement.

My understanding is that while Ms B did stay at her daughter's home for some time, this was a temporary arrangement, and she has her own home. I also appreciate Ms B says her daughter could have paid for the works on her own credit card, but ultimately that didn't happen.

In this complaint, I'm considering the facts that took place and whether American Express has fairly considered a claim against the transactions made by Ms B. Having done so, I don't think Ms B has a valid claim against American Express under Section 75, due to her not being a party to the contract of sale.

Therefore, while I realise this answer will come as a disappointment to Ms B, it follows that I don't find that American Express acted unfairly or unreasonably in declining her claim and won't be directing it to do anything further in relation to this complaint.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 2 December 2025.

Christopher Convery  
**Ombudsman**