

The complaint

Mr S complains that American Express Services Europe Limited (“AMEX”) failed to process a direct debit, resulting in a missed payment on his credit card and an adverse marker on his credit file.

What happened

AMEX provided Mr S with a credit card in May 2025. Mr S says that when he completed the application, he instructed AMEX to take a direct debit payment for the full balance each month. When this didn’t happen following the following month, he complained that AMEX had made an error.

AMEX reviewed Mr S’ complaint and didn’t uphold it. It advised that he hadn’t completed a direct debit request. As a gesture of goodwill AMEX waived the late payment fee, but because it identified no error, the credit file wouldn’t be changed.

An investigator then reviewed the merits of Mr S’ complaint and didn’t think AMEX had done anything wrong.

Mr S disagreed with our investigator’s opinion. Because an agreement couldn’t be reached, 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.

Having done so, I’m not upholding this complaint. I know this will disappoint Mr S, so I’ll explain why.

AMEX has evidenced that a direct debit instruction can’t be made at the point of application. Bank account information is recorded, but the application process is clear that this is just for background and verification purposes. This section of the application process clearly states “No funds will ever be debited from your bank account”.

Mr S’ first statement, dated 10 June 2025, shows that payment is due by 05 July 2025. On page two of this statement, there are instructions for how to pay. Under the direct debit section, it clearly signposts to the front of the statement, where the direct debit details will be shown.

As there was no reference to direct debit on the front of the statement, Mr S needed to take action to ensure payment was made.

I have no doubt, from the correspondence Mr S had with the investigator, that he fully intended for his balance to be paid in full by direct debit, but from what I’ve seen he didn’t instruct AMEX to do so, until after the payment date for the June statement was missed.

I note Mr S has referred to multiple calls that took place to set up a direct debit. From the account notes available, it looks like Mr S called AMEX to set up a direct debit on 9 July 2025 – which is after the due date of 5 July 2025.

Mr S has made numerous points in response to the investigator, and I mean no discourtesy by not responding to each one individually, but I can assure him that I have considered everything before making my decision.

Having reviewed the evidence, I am comfortable that the information supplied by AMEX to Mr S was clear when he applied for the credit card and when it sent his statement, so I don't think it did anything wrong.

I know Mr S is understandably unhappy that this has left a negative marker on his credit file, and whilst I sympathise with him as this appears to be a genuine mistake, AMEX can't remove it, as there is a requirement for the credit files to be factually accurate.

It may not be much consolation for Mr S, but one late payment marker on an otherwise positive credit file, is unlikely to have any adverse consequences.

My final decision

For the reasons outlined above, I don't uphold this complaint against American Express Services Europe Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 April 2026.

David Barker
Ombudsman