

The complaint

Miss R complains about the way AMERICAN EXPRESS SERVICES EUROPE LIMITED (AmEx) administered a credit card account after it was closed.

What happened

Miss R held a credit card account with AmEx. Following a review, the account was closed and the balance was referred to a third-party collection agent. This was the subject of a previous complaint with this service and was considered by an Ombudsman. As part of the Ombudsman's decision, they required AmEx to take the account back from the collection agent and agree an affordable payment plan with her.

AmEx told Miss R it had recalled her account in January 2025, and was now being managed by its internal agents – as it didn't have the capability to arrange a payment plan with her directly. Miss R continued to make payments to reduce the outstanding balance.

In June 2025, Miss R contacted the collection agent by phone about a separate matter. During the call, the agent told Miss R that – according to their system - her account had an outstanding balance of around £7,000. Miss R was concerned that the collection agent still held information about her account and appeared to still be managing it. She didn't think AmEx had correctly recalled the account as it had promised.

A complaint was referred to this service. AmEx remained satisfied the account had been correctly recalled – and said the agent Miss R spoke to appeared to have made an error. It noted that the balance quoted by the agent was the amount owed at the time the account was recalled – suggesting that this was simply the last information the collection agent held about the account. One of our Investigators considered the complaint and wasn't persuaded AmEx had made an error or that it had failed to recall the account. They were satisfied that – although the account was now being managed by AmEx's internal agents – this was for administrative purposes only and they weren't acting as a collection agent or pursuing Miss R for the balance.

Miss R didn't agree with the Investigator's conclusions. In summary, she felt it was unreasonable to take AmEx's word that the account had been recalled when she'd presented clear evidence that it hadn't been. She said that by talking to her about the balance the collection agent was effectively still acting as AmEx's agent. She said it wasn't possible for the account to still be reporting on the agent's system if it had been recalled. She also said she'd spoken to AmEx on the phone and been told her account was with a third-party. She felt AmEx had deliberately misrepresented the situation, and that its actions amounted to fraud under the Fraud Act 2006. She asked for the complaint to be referred to an Ombudsman for a final decision. So, it's been passed to me to decide.

Miss R has mentioned other concerns relating to her account since her previous complaint was resolved. Specifically, she was unhappy with the way AmEx dealt with her offers to pay and the way her account was being reported to credit reference agencies. Miss R has confirmed these concerns have now been resolved and don't form part of the complaint she's asked me to consider. So, in this decision I've only considered Miss R's concern that

AmEx didn't correctly recall her account.

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'd like to assure both parties that I've read and considered all of the information they've provided in reaching my decision. I recognise I've summarised Miss R's concerns in significantly less detail than she has. This isn't intended as a discourtesy and simply reflects the informal nature of my role in deciding what a reasonable outcome is. If I've not reflected or specifically addressed something that's been said it's not because I didn't see it – but because I didn't deem it relevant to the crux of the complaint. My decision will focus on what I consider to be the key points of the complaint.

Miss R says AmEx has provided misrepresentations to this service which amount to a breach of the Fraud Act 2006. It isn't my role to make a legal determination here – and I've considered all of the information provided by both Miss R and AmEx on its merits. I'd like to assure Miss R that I've considered her concerns about the information AmEx has provided. I also note Miss R has asked that I obtain further information, such as contemporaneous notes from the collection agent. But I'm satisfied I have sufficient information to reach a fair and reasonable outcome to Miss R's complaint.

It's not disputed that AmEx ought to have recalled the account in January 2025. It's also not disputed that AmEx has since outsourced the management of the account to its internal agents. AmEx says they're involved in an administrative capacity only to monitor the account and isn't acting as a collection agent. Instead, they're effectively acting as AmEx, and will introduce itself as AmEx in all communications. I haven't seen anything to suggest otherwise, and Miss R doesn't appear to have disputed this when responding to our Investigator's view. So, I don't think I need to comment on this point in detail here.

Miss R says AmEx failed to recall the account from its collection agent and has referred to a phone call with the collection agent in June 2025 – which I've listened to. This was an inbound call from Miss R regarding a separate matter. During the call, the agent said *"I can see the outstanding balance owed to our client American Express is £7,012.16."* Miss R queried this – as the collection agent was no longer dealing with the debt, and the balance quoted was incorrect. The agent said they'd simply provided the figure visible on their system and didn't comment further.

Our Investigator asked both AmEx and the collection agent why they'd quoted a balance to Miss R. AmEx said, in summary, that the collection agent had made an error – and quoted an incorrect balance to Miss R as it wasn't aware of any developments with the account since it was recalled. The collection agent said:

"There was a call with (Miss R) (...) on 18/06/2025, but it was incoming call from (Miss R) and was not made by (collection agent). (...) (Miss R) was given the balance we had on our records, which was the balance at the time when account was closed at our end and returned back to Amex in January 2025. We are no longer instructed, so we were not aware about any changes on the balance."

I understand Miss R doesn't think AmEx or the collection agent have been truthful here – and says the fact the agent had a live balance on its systems shows that it's still effectively dealing with the account. I've considered this. It's important to note I've only considered the actions of AmEx and its agents here – and for reasons I'll go on to explain I'm satisfied the collection agent was not acting as AmEx's agent at the time of the call.

Under the terms of the agreement, AmEx was entitled to ask another party to act on its behalf in speaking to Miss R about the account. It's not disputed that AmEx transferred some of Miss R's account information to the collection agent, or that it agreed not to do so from January 2025. The balance quoted by the collection agent over the phone was around £7,000. I note that this was roughly the balance on the account in January 2025. This suggests to me that the collection agent hasn't received any updates about the account balance since then – which supports AmEx's assertion that the account was recalled at that time. I find it likely – on balance – that the person Miss R spoke to simply didn't realise the account had been recalled or that it was no longer acting on AmEx's behalf.

Crucially, the collection agent isn't pursuing Miss R for the debt. Miss R says she received a letter (about an unrelated matter) from the agent again quoting the incorrect balance. I haven't been able to see this letter, but its contents aren't disputed. Our Investigator asked Miss R if she'd received anything from the collection agent requesting payment or otherwise pursuing the debt – and she didn't respond to suggest she has or provide any further correspondence. So, it appears all that's happened here is the agent has quoted out of date information from when they were last involved in the account. I'm not persuaded it carried out any debt collection activity on AmEx's behalf after January 2025. While I can understand why Miss R is concerned that this happened, I can't see that this was due to any error made by AmEx – or that it failed to recall the account in January 2025 as agreed. If Miss R wants the collection agent to remove the information it holds about her account, she can contact them directly about that.

I acknowledge Miss R has referred to a recent call with AmEx, during which she was told her account was with a third-party. I can understand why this would have been concerning – especially given AmEx's reassurances that the account had been recalled. But it's correct to say that a third-party is dealing with Miss R's account – but not the collection agent the account was previously referred to. Instead, AmEx has outsourced the administration of the account to its internal agents. So, while I see the point Miss R seeks to make, I'm not persuaded this call shows her account is still with the collection agent.

I appreciate this will come as a disappointment to Miss R, but having considered everything I haven't seen sufficient evidence to persuade me that AmEx failed to recall the account from the collection agent or that it made any other error here. So, I don't require it to do anything further.

My final decision

My final decision is that I don't uphold Miss R's complaint about AMERICAN EXPRESS SERVICES EUROPE LIMITED.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 27 February 2026.

Stephen Billings
Ombudsman