

The complaint

Mr D is unhappy with the way AMERICAN EXPRESS SERVICES EUROPE LIMITED (Amex) administered his credit card account.

What happened

The parties are familiar with the background of this complaint, so I will summarise it briefly here, which reflects my informal remit.

Mr D opened a new Amex credit card and believed he had successfully set up a direct debit to pay the balance in full each month, like he had done with his other Amex accounts.

The June 2025 statement showed a balance of £2,046.04, with a minimum payment of £40.92, due by 30 June 2025. Mr D said he wasn't aware that the direct debit hadn't been set up correctly and only became aware of the issue after the payment had been missed.

Once he realised, Mr D paid the outstanding balance in full on 7 July 2025 and set up the direct debit correctly for future payments. He contacted Amex and as a gesture of goodwill, it waived both the interest charge and the late payment fee.

However, when Amex reported a late payment marker to the credit reference agencies, Mr D complained. Amex issued a final response and said the fees had been waived as a gesture of goodwill rather than due to an error on its part. Whilst it didn't agree to remove the late payment marker, it did acknowledge that a complaint should've been raised sooner and paid Mr D £25 in recognition of this.

When the complaint was referred to our service, an investigator didn't uphold it. They concluded that Amex had acted in line with the account terms and conditions, had reported accurate information, and that waiving the fees and interest was a fair response to his concerns.

Mr D didn't agree. In summary he said:

- During the time of the missed payment, he was experiencing significant mental health issues, and had personal circumstances impacting him, which made it difficult to manage his financial obligations as effectively as he would've liked.
- While he understood that Amex hadn't made an error, he believed removing the late payment marker was a relatively simple action for Amex to take.
- Amex hadn't shown sufficient empathy given his circumstances.
- By waiving the fees, Amex had acknowledged a simple error was made by Mr D, but the continued mark on his credit file didn't reflect this.
- The late payment marker had affected his ability to obtain car finance from his bank, which meant looking elsewhere for car finance at a higher cost. He considered this

was unfair because it was due to a genuine mistake.

As Mr D remained unhappy, the case has now been referred to me to make a final decision.

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.

Whilst I've read and considered everything, if I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. This is not meant as a discourtesy but rather reflects my role of resolving disputes with minimum formality.

I acknowledge what Mr D has said about his personal and mental health circumstances at the time. I appreciate how this may have affected his ability to manage his financial commitments, and I recognise the impact the late payment marker is now having on him. However, I must also consider whether Amex made an error, acted incorrectly or treated Mr D unfairly.

Mr D accepts that the June payment wasn't made on time and that this wasn't due to an error caused by Amex. Rather it arose because a direct debit hadn't been set up correctly to clear the payment.

Given this, I'm satisfied Amex didn't act unfairly or unreasonably in recording and reporting the late payment. Amex reported information to the credit reference agencies that was factually accurate and did so in line with the account terms.

Mr D believes that removing the late payment marker would be a simple and fair thing for Amex to do particularly given his circumstances. However, credit reporting is intended to provide an accurate record of how an account has been managed. The key issue here is whether the required payment was made by the due date. As it wasn't, I consider the late payment marker recorded by Amex fairly reflects what actually happened on the account.

Whilst I can see Amex waived the late payment fee and the associated interest charge, this was done as a gesture of goodwill, not because of an error caused by Amex which led to the late payment. Because of this, I wouldn't be able to direct Amex to remove the late payment marker solely on the basis that it chose to offer this goodwill gesture.

I've also considered Mr D's comments about the wider impact this may have had on his ability to obtain car finance. I appreciate why this would feel frustrating, particularly in light of the circumstances he has described. However, Mr D remained responsible for ensuring that the payment under the credit agreement was made on time. As the late payment wasn't caused by Amex, I don't consider it fair to hold them responsible for any subsequent consequences that may now arise from the late payment marker.

I also note that Amex acknowledged it didn't raise a complaint when it should've and paid Mr D £25 compensation for this. I consider this to be fair and reasonable, particularly as he appears to have received the final response within eight weeks of when the complaint ought reasonably to have been logged, and any potential delay didn't materially affect the overall handling or outcome of the complaint.

While I am sorry to hear about the difficulties this situation has caused Mr D, I am not persuaded that Amex acted unfairly or incorrectly in reporting the late payment.

As such, I won't be directing Amex to take any further action on this case.

My final decision

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 D to accept or reject my decision before 15 April 2026.

Farhana Rahman
Ombudsman