

complaint

Mr and Mrs H complain that American Express Services Europe Limited made an error over a transaction in February/March 2017. In trying to correct this it made numerous mistakes and it's now gone back on its offer of compensation.

background

In February 2017 Mr and Mrs H made a payment of £250 as a deposit on a purchase. In March 2017 this payment was taken again. American Express then made a series of debits and credits of this amount over the next few months.

Mr H says he initially accepted £550 and 100,000 Avios points as compensation for the original mistake. But the second part of his complaint is about the poor service he received thereafter. He was promised an additional 500,000 Avios points and a further 250,000 points in exchange for £250 cash. But American Express said it'd made a mistake in offering him those points and only transferred another 50,000 to his account. Yet again there was a problem with another payment that was taken from his account. Mr and Mrs H want American Express to honour its offer of an additional 750,000 points.

Our investigator could see that American Express had made a mistake in the valuation of Avios points and in error offered 10 times what it considered to be the correct value. But she thought that the total compensation of £550 and 150,000 Avios points was fair and reasonable in all the circumstances.

Mr and Mrs H weren't happy with this. Mr H says it meant that the second part of his complaint was only worth 50,000 points. He thought that as the offer of 750,000 points was in writing American Express should have to honour it. He thought a contract had been made because it took £250 from him but didn't give him the points.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I can understand how frustrating and confusing this has been for Mr and Mrs H. A simple transaction has led to numerous debits and credits on their account.

American Express has apologised for its errors and has paid Mr H £550 and 150,000 Avios points. Mr and Mrs H say this isn't enough particularly in light of the continuing poor service American Express has given them. They're happy with the initial offer of 100,000 points but want it to honour its offer of an additional 250,000 points in exchange for £250 and a further 500,000 points.

I know Mr and Mrs H will be disappointed with my decision but I have come to the same conclusion as the investigator for very similar reasons. Our role is to decide what is fair and reasonable in all the circumstances. That means we look at what has gone wrong and how American Express has tried to put it right. To do that we look at the entirety of the problem and we don't just concentrate on one part of the complaint.

We don't punish banks and financial institutions. That's the role of the regulator, the Financial Conduct Authority. And it's not for this Service to decide if there's an enforceable contract. That's the role of the courts.

Our role is to look at the impact the actions of American Express has had on Mr and Mrs H. And I can see that this has been going on for several months causing them much inconvenience and frustration. And Mr H says American Express has now taken £250 from their account but hasn't given them the agreed number of points. I can see that American Express debited this amount from his account in November 2017, refunded it twice two weeks later and the following day debited it again. So the net effect is that he hasn't been charged this amount.

I can understand Mr and Mrs H's concerns that American Express continued to make the same mistakes after their initial complaint. But it seems to me, looking at their complaint in its entirety, the compensation of £550 and 150,000 Avios points American Express has paid to Mr and Mrs H is fair and reasonable. So for all the reasons I've given I don't think American Express should do any more.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs H to accept or reject my decision before 8 May 2018.

Linda Freestone
ombudsman