

The complaint

Mr S complains that American Express Services Europe Limited (AESEL) (Amex) suspended his credit card whilst it was under review. Mr S is also unhappy with the service he received from Amex. He wants compensation for the trouble upset this caused him and a refund of interest that was accrued during the time he was unable to use his account.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr S had an Amex credit card, that he'd opened in 2014. Mr S has explained that he has been working overseas for a number of years and in late 2022 he received a job offer for a role based in the UK. Following this he moved back to the UK to take up his new job.

Mr S has said that whilst working overseas he continued to use his Amex card without any problems and his wages were paid into a bank account held overseas where he was working. Mr S received his first wage from his new UK based job in January 2023.

On 26 January 2023, Mr S received an email from AESEL, saying it was conducting a credit review of his account. And that whilst it completed the review Mr S wouldn't be able to use his account. The email asked Mr S to provide his last two months original bank statements reflecting his pay slip deposits within 14 days.

Mr S rang AESEL on 10 February 2023 to discuss what was happening with his account. During the call the advisor told Mr S that he needed to provide his last two months bank statements. Mr S explained that he'd been working overseas and had recently returned to the UK. The advisor told Mr S that this wasn't a problem and he needed to provide his personal bank statements that showed he was receiving an income. And that he needed to provide the documents in an unaltered PDF format. The advisor didn't specify that the statements needed to be from a UK based account and gave Mr S details of an email address he could use to submit the information.

On the same day, Mr S emailed a copy of his January 2023 UK bank statement and his overseas bank statements for August 2022 – January 2023. These showed his wages going into his accounts each month from his job overseas and his new job in the UK.

Mr S contacted AESEL again on 14 and 15 February 2023 to try and find out what was happening with his account review and if the information he'd submitted was sufficient and how long the review would take to complete. However, AESEL, couldn't provide him with much information and told him it would be in touch. But Mr S didn't hear anything from AESEL.

On 24 February 2023, Mr S rang AESEL again to find out the status of his account review. He explained that he had sent information via the email address he had been given. The advisor told Mr S that because he was now living and working in the UK it needed to see

statements from an account based in the UK. And that the information Mr S had provided relating to his overseas job and bank account statements couldn't be accepted.

The advisor explained that AESEL needed to see two full UK based bank statements showing Mr S's wages being paid into it because he was now living in the UK. The advisor apologised for this not being made clear to Mr S prior to this call. And they asked Mr S to send in his February 2023 UK statement as soon as it was available. So that it could complete the review of his account.

Following the call, Mr S emailed AESEL a copy of his January UK bank statement. Because his February 2023 UK bank statement wasn't yet available, he also sent a screenshot of his February 2023 income. Unfortunately, this wasn't enough to satisfy AESEL.

On 2 March 2023, Mr S emailed AESEL a copy of his February 2023 UK bank statement. Following this Mr S called AESEL on 3 March to find out whether it had finished reviewing his account. AESEL told him that it was still completing its review. Unhappy with this Mr S raised a complaint and asked for a manager to call him back. AESEL attempted to call Mr S back but couldn't speak to him. Mr S noticed the missed calls and contacted AESEL. Each time he told AESEL he was very unhappy with how long things were taking and that he'd provided everything that AESEL had requested. He also said AESEL hadn't called him back when promised.

AESEL completed its review on 8 March 2023 and removed the suspension on Mr S's account.

In response to Mr S's complaint, AESEL apologised for any trouble and upset Mr S had been caused by it completing a review. It said it had reviewed the account in line with the terms and conditions. And its regulatory obligations. AESEL said that it had tried to call Mr S back on more than one occasion and had managed to speak to him when Mr S noticed the missed calls from them. However, it recognised its service had fallen short and that it hadn't made it clear to Mr S that the information he provided initially wasn't sufficient. AESEL offered Mr S £50 compensation for any trouble and upset this had caused him.

Unhappy with this response Mr S brought his complaint to our service. He said AESEL had taken too long to complete its review and hadn't made it clear what information he needed to provide as part of the review. He also said that AESEL had unfairly charged him an account fee and interest during the time he wasn't able to use his card. So, he wants AESEL to refund him these charges and pay him more compensation.

One of our investigators looked into what had happened. He said AESEL were entitled to review Mr S's account and had done so without any undue delay. He said that AESEL should have been clearer about what information it wanted Mr S to provide, but he said AESEL had done enough to put things right.

AESEL agreed with the investigator's view. Mr S didn't. In summary he said:

- AESEL should have applied common sense and considered Mr S's circumstances – that he had moved countries and jobs so was unable to provide what they wanted.
- What he did provide demonstrated that he was creditworthy and could maintain his credit card payments.
- The amount of compensation isn't enough to reflect the amount of trouble and upset he has been caused and is an insult.

As no agreement could be reached the matter has come 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 appreciate Mr S was disappointed by the investigator's opinion and I can see that he has provided a detailed response to what he said about his complaint. I'd like to reassure Mr S that I've considered the whole file and what he's said. But I'll concentrate my comments on what I think is relevant. So, I won't be addressing every point in detail which Mr S has raised in his submissions. My findings will focus on what I consider to be the central issues. 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 outcome.

I appreciate that Mr S was surprised his account was suspended and reviewed. And I understand that this came as quite a shock to him - especially as he had been using his account without any issues for a number of years overseas.

AESEL like banks and other financial businesses are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I can see that AESEL wrote to Mr S on 26 January 2023, to let him know that it was reviewing his account and that further charging to the account would be suspended. While not trying to minimise the upset and frustration this no doubt caused Mr S, under the terms and conditions of the account, AESEL can suspend an account without providing a full explanation why. So, I can't say AESEL has treated Mr S unfairly when it suspended his account.

Mr S says AESEL should have applied common sense and been more understanding about his circumstances that he'd recently changed jobs and moved back to the UK. He says AESEL should have accepted the information he was able to provide about his income as he says it was good enough to show he could afford to maintain his account. I appreciate Mr S's frustration here, but ultimately it is AESEL who decide what information they do or do not require as part of a review in order to comply with their obligations. Because of that, I can't fairly conclude AESEL acted inappropriately when it told Mr S the information, he submitted wasn't sufficient.

AESEL asked Mr S for his last two months original bank statements. I think Mr S was proactive and clear when submitting information. And I'm satisfied that he supplied what he could provide to meet AESEL's request. On 10 February 2023 when Mr S provided his documents, he explained there was a gap and only the last month's statement was paid from the UK due to a change in jobs. And that his previous salary was paid from employment overseas into an overseas bank account.

I can see that Mr S contacted AESEL on at least two occasions on 10 and 14 February 2023, after he'd submitted his paperwork to check on the progress of the review of his account. When he spoke to AESEL on 10 February 2023, to check his understanding of what he needed to submit, the advisor told Mr S that he simply needed to provide anything that supported that he had an income for the last two months in a PDF format. But this wasn't correct. AESEL needed to see statements from a UK bank account. I can't see that AESEL told Mr S specifically what was required until 24 February 2023. So, up until this point, AESEL had given Mr S misleading information.

I do think AESEL should have been clearer with Mr S about what information it wanted him to provide, and I can see no reason why AESEL couldn't have gone back to Mr S and explained things sooner than it did. AESEL accepts that it should have done this and have offered Mr S £50 compensation. Mr S says this isn't enough. He wants more compensation, his membership fees and interest charged for the period he wasn't able to use his card refunded. So, I need to decide whether the amount of compensation offered is fair and reasonable.

The timing of AESEL's review was unfortunate. Mr S had recently changed jobs and moved back to the UK. This meant that the information AESEL wanted from him wasn't readily available. So, even though I'm satisfied that AESEL should have made it clearer to Mr S what information he needed to provide, Mr S wouldn't have been able to submit the information because the information simply wasn't available to him as his February 2023 bank statement hadn't been generated at the point AESEL asked him to provide it. Mr S wasn't able to provide his February 2023 bank statement showing his wages being deposited until 2 March 2023. Once he provided the information AESEL completed its review within six days, which I don't find an unreasonable period of time.

I can't hold AESEL responsible for Mr S being unable to provide the information it wanted to see to complete its review. As I've already said it is up to AESEL to decide what information it wants from their customers. Given the circumstances I don't think AESEL unnecessarily delayed matters. But I do think they got things wrong when it gave Mr S misleading information about the information he needed to provide. When I weigh everything up, whilst I appreciate Mr S's account was suspended for six weeks, given the overall circumstances, I'm not persuaded to award Mr S more compensation.

I know Mr S wants the interest he was charged to be removed from the account whilst his account was suspended. But the terms state that interest would be chargeable on positive balances. While Mr S wasn't able to use the card while it was restricted, he'd still spent on the card up until the point it was suspended. So, in line with the terms and conditions of the account Mr S is liable to pay the charges that come with that spending. I note too that AESEL has confirmed Mr S could also have still made the appropriate repayments to avoid the charges. But from looking at Mr S's previous activity, it doesn't look like he cleared his balance in full to avoid interest payments regularly. So, I won't be asking AESEL to refund Mr S any interest that was charged on his account balance during the period his account was suspended.

I've also thought about Mr S's comments about being charged an annual fee. But I haven't seen any evidence that Mr S didn't want to keep his card, with full membership benefits, and it seems Mr S intended to keep on using the card to pay for an upcoming holiday. I'm satisfied that AESEL completed its review as quickly as possible given the issues Mr S faced with not being able to provide what it wanted. So, I won't be asking AESEL to refund Mr S's membership fee.

Mr S is also unhappy with the customer service he received from AESEL during the review. Mr S asked for a manager to call him back, which didn't materialise. And Mr S says he wasn't happy with the lack of information about how long the review would take to complete.

I can see that AESEL did attempt to return Mr S's calls and explained that a manager isn't always available. But I'm also not sure there was anything pertinent for a manager to add. I appreciate that it must have been frustrating for Mr S to have no information as to when the review would be completed. But AESEL has explained because of the individual nature of reviews and complexities involved, it isn't always possible to give a timeframe within which the review will be completed. I understand Mr S was anxious to know when the review would be completed, but I can't say AESEL have done anything wrong when it told him there was

no time frame. Overall, I'm not persuaded that the customer service from AESEL was so unreasonable that they need to do anything further to make up for it.

My final decision

American Express Services Europe Limited trading as American Express, has already made an offer to settle Mr S's complaint and I think this offer is fair in all the circumstances.

So, my final decision is that if it hasn't already done so, American Express Services Europe Limited trading as American Express, should pay Mr S £50 for the trouble and upset this matter has caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 April 2024.

Sharon Kerrison
Ombudsman