

The complaint

Miss L complains about the customer service she received from American Express Services Europe Limited (AESEL) when she applied for a Platinum credit card.

What happened

Miss L had a Gold credit card with AESEL. On 9 January 2024 she called AESEL to discuss getting a Platinum card. She said she was advised to apply online. Miss L said she was misled on numerous occasions and her application was rejected when she applied online without being told why. She said she was advised that if her credit limit for her Gold card was reduced this may help. Miss L was concerned that the initial rejection would have affected her credit rating. And she said she was told different things by different people about this. She complained to AESEL. She wanted to know if her credit rating was okay. And requested the card fee of £650 be reimbursed. She said she has been stressed because her credit rating has been amazing.

In its final response AESEL said it wasn't able to find the call dated 9 January 2024 or the outbound call that Miss L was advised she would receive. Because it couldn't be certain whether she was mis-advised it awarded her £75 compensation as a gesture of goodwill.

Miss L brought her complaint to this service, she wasn't satisfied with £75 compensation. She said she was told all calls are recorded so she didn't understand why AESEL couldn't find her call.

Our investigator concluded that AESEL hadn't acted unfairly when it dealt with Miss L's application. Miss L wasn't satisfied and asked for a decision from an ombudsman. She made some additional comments to which I have responded below where appropriate.

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 realise this will come as a disappointment to Miss L but having done so I agree with the conclusions reached by the investigator for the reasons I've outlined below.

Although I've read and considered the whole file, I'll keep my comments to what I think is relevant. If I don't comment on any specific point, it's not because I've not considered it but because I don't think I need to comment on it to reach what I believe is the right outcome.

Miss L told this service that she isn't happy that she's given false information that calls are recorded. AESEL said that its phone system does state to consumers that all calls are recorded as it is obliged to inform consumers. But when it attempts to access these calls at a later date there can be several reasons why a recording is not available; such as file corruption, technical issues, or the time that has elapsed since the call took place. AESEL said it's not possible to identify the exact cause as to why Miss L's call is not available. I can understand why Miss L is frustrated that the call isn't available, but I'm satisfied that AESEL's

explanation is reasonable.

I can see from system notes from AESEL relating to the call that Miss L contacted it on 9 January 2024 to discuss a Platinum card. The notes on the system indicate that the option to upgrade wasn't visible on its system or something it could do over the phone so advised Miss L to attempt to upgrade her account by applying online. The notes indicate that Miss L wasn't happy about this. AESEL said Miss L applied for the Platinum card on 9 January 2024 and supplied the requested income verification documents. It said following an automated review the application was unsuccessful. Miss L contacted it on the same day to discuss this and requested the application be reviewed again. I can see from the system notes that Miss L was upset by this and wanted a review based on the fact that she had two cards with £20,000 credit limit. AESEL said it offered the option to reduce her line of credit on another card to better her chance of approval. And this was successful. So I'm satisfied that Miss L was provided with a solution and the application was successful.

Miss L is concerned about her credit file and what if any impact the failed application has had on it. She said she was told that the application would show negatively on her credit report. As a copy of the call is not available is not possible for me to know exactly what was said on the call. But there is no indication on the system notes that Miss L was told it would report negatively. In an email dated 5 February AESEL told Miss L:

“Upon further investigation, it has been confirmed with the New Membership Team that the only information that appears on your credit history is the fact that a search was conducted and not whether the application was approved or declined. Therefore, I want to assure you that the declined application does not affect your credit history in terms of approval or rejection.

In addition to our internal investigation, I have proactively reached out to the Credit Bureau team to verify the status of your account/application. I am pleased to inform you that, based on their response, there is no negative reporting associated with your account or application in any of the credit bureaus.”

I'm satisfied this explanation is clear about the effect on her credit file. Miss L has said she can see the search on her credit report. It's normal for the search itself to appear on her credit file and would be visible to Miss L as it's *her* credit file. But it doesn't affect her credit history in terms of approval or rejection.

Miss L would like the card fee refunded and an increase in compensation. Miss L's application for the Platinum card was successful after AESEL reduced her line of credit on her other card. And she now has the benefit of the features of that card, so I don't think it fair that AESEL waives its fee of £650.

AESEL paid Miss L £75 compensation as a gesture of goodwill on the balance of probability given it could not locate the call recording. As I'm not persuaded AESEL has done anything wrong I won't be asking it to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 30 July 2024.

Maxine Sutton

Ombudsman