

The complaint

Mr F complains about various aspects of service provided by American Express Services Europe Limited (Amex).

What happened

Mr F has an Amex credit card. In September 2023, he had a limit of £600. The statement dated 28 September 2023 had a balance of £302.02, due by 23 October 2023. The statement also showed a direct debit was due on 12 October 2023.

On 11 October, Mr F made a payment for £302.02. And then, on 12 October 2023, Amex claimed the direct debit for £302.02. So then the account was overpaid by that amount.

Mr F asked for the money back and was told it would take ten days.

The overpayment wasn't refunded and was used against the next month's statement and purchases. So on the next statement dated 28 October 2023, there was a credit balance of £36.72.

On 5 August 2023, Mr F made an online payment for £12. He got a refund and this was credited to the Amex account on 30 August 2023.

Mr F asked for a Data Subject Access Request (SAR). Amex wrote to him on 13 December 2023.

Mr F complained on several points:

- Amex told him the refund of the overpayment would take ten days – Mr F says this is too long in the days of online/instant banking.
- But then, the overpayment wasn't made – Amex used the overpayment towards the next month's statement. This was contrary to what he had asked for – he wanted the overpayment refunded to him.
- He says his mobile app didn't show the refund of £12.
- The SAR wasn't received.

Amex said:

- On the refund of £12, this was made on 30 August 2023. It was therefore shown on the next statement dated 28 October 2023 and shown as a refund against the original payment.

Amex said there had been no problems with the mobile app during the period. When Mr F

called Amex about this, Amex agreed that the call handler didn't deal with his questions very well and for that, paid compensation of £25.

- On the SAR, Amex said they wanted Mr F to be specific about what documents Mr F wanted and the period to be covered.

- Amex didn't comment on the overpayment issues as this was brought to our service separately.

Mr F brought his complaint to us. Our investigator didn't uphold it. She said:

Refund – Amex's process was to take ten working days to make the refund of the overpayment. This was the firm's process and we cannot interfere with that.

Mobile app – the credit was received on 30 August 2023. And it was shown on Mr F's next statement.

SAR – Amex wrote to Mr F asking him for more information about his SAR request: The firm asked for timeframes and what he wanted it to cover.

Mr F didn't agree and asked that an ombudsman look at his complaint. And so it has come to me to look at.

I made a provisional decision which upheld Mr F's complaint. It said:

I've seen Mr F's comments to our investigator – so let me say at the outset that we are not a consumer group – we don't take sides. We are independent and impartial and our role is to listen to both sides of a complaint, take evidence from both parties, and then decide on a fair and reasonable outcome.

Taking Mr F's complaint points in turn:

Refund of overpayment taking ten days:

I can see that Mr F made two payments of £302.02. On 11 October 2023, he made a manual payment of £302.02, and then on 12 October 2023, Amex claimed a direct debit amount of £302.02. In this case, Amex couldn't stop the direct debit - as it was already in process. Mr F then asked Amex for the overpayment to be paid back to him – which was a reasonable thing for him to ask.

Amex told him it would take ten days – which Mr F says is an unreasonable time. Amex told us this is their business practice – as such payments are routed through another major bank. And here, I don't have the power to ask Amex to change their processes. So, I set this part of Mr F's complaint aside.

Use of overpaid amounts:

But then – Amex didn't make the refund anyway and used it against Mr F's spending on his next statement. We asked Amex more about this. The bank don't have a recording of the call in question, but accept that Mr F asked for a refund of the overpayment.

I asked Amex why this wasn't done and they told us there was a system problem which prevented it. This wasn't fair to Mr F and so – Amex were at fault here and I am proposing to uphold this aspect of Mr F's complaint.

Then - what happened is that the amount of the overpayment was carried forward to the next month – so Mr F then paid less in settling his account at that time. So, the impact of what happened was that Mr F was out of pocket by £302 for the month. He hasn't brought forward any evidence of how this affected him. So, I assume there weren't any adverse financial consequences, but if Mr F can bring forward some evidence of the financial impact, I will consider those.

That aside, I can see that this was frustrating for Mr F and he needed to call Amex to try to get it resolved. So for that, I am proposing a payment of £100 for distress and inconvenience for this part of Mr F's complaint.

Refund of £12 and mobile app:

I can see that the refund of £12 was made on 30 September 2023. And it appeared on the statement dated 28 September 2023 as a 'credit adjustment' against the original purchase on 5 August 2023. But on the call on 6 September 2023 – Amex agreed the call handler didn't clearly explain to Mr F how this would be shown in the mobile app, and for that, Amex paid compensation of £25.

I've listened to the call on 6 September 2023 – the call was about a number of issues, including a discussion about further chargebacks/ refunds from an online retailer. These aren't the subject of this complaint.

But on the matter of the refund of £12, the call handler did state that Mr F needed to wait for the next statement to see the refund – as it couldn't be seen on the app. She asked Mr F to log onto the Amex website to see the refund – but Mr F said he couldn't do that as it 'never worked'. So here, the call handler was correct in saying what she did. But she could've been clearer and more forthright in stating why the refund couldn't be seen on the app and what Mr F needed to do. But as no error was made, I agree the payment of £25 made by Amex is reasonable and Amex don't have to do anymore.

SAR:

I can see that Amex wrote to Mr F on 13 December 2023 and asked him for more information regarding what period he wanted it for and the type of information he wanted. This appears a reasonable thing for Amex to have done – as Amex told us Mr F had been a cardholder for 22 years, and it's not practical to send him information for such a long period.

Responses to the provisional decision:

Amex made no comments. Mr F made some points that I'm satisfied either repeated what he said in this complaint; or are new complaint points. If he wants to put a new complaint to Amex, then he is free to do so – but I would say that to be fair to Amex, any new complaint must be on a new issue or event not covered in this 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.

Because Amex made no comments, and Mr F didn't bring forward new information, my final

decision is unchanged from the provisional decision. And so, Amex must do what that said in settlement of Mr F's complaint.

My final decision

I uphold this complaint. American Express Services Europe Limited must:

- Pay compensation of £100 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 1 August 2024.

Martin Lord
Ombudsman