

The complaint

Mr B complains that he overpaid his account American Express Services Europe Limited (AESEL) trading as American Express with (Amex).

What happened

Mr B has an Amex card. On the statement issued on 10 December 2023, the balance was £2,611.34 and was due to be paid by 24 December 2023. The full payment was paid by direct debit, but at the same time, Mr B made a manual payment for the same amount. So, he made two payments.

There then followed a series of payments, refunds and returned direct debits. Mr B complains that he paid off the amount of £2,611.34 as a result of the transactions – whereas later on, on 12 February 2024, Amex debited his bank account with £2,611.34. He says he overpaid Amex by £2,611.34 and this should be repaid to him.

The bank transactions were:

Date	Payments out of bank	Payments into bank
25 December 2023	Transfer to Amex: £2,611.34	
28 December 2023	Direct debit to Amex: £2,611.34	Returned direct debit: £2,611.34
5 January 2024	Direct debit to Amex: £2,611.34	
11 January 2024		Credit from Amex: £2,611.34
19 January 2024		Returned direct debit: £2,611.34
Net payment to Amex as at 19 January 2024	Zero	

Amex transactions:

Date		Payments received	Payments to bank
10 December 2023	<i>Balance owed</i>		

	£2,611.34		
24 December 2023		Transfer: £2,611.34	
24 December 2023		Direct debit: £2,611.34	
8 January 2024			Credit balance refund: £2,611.34
12 January 2024		Temporary credit £2,611.34	
16 January 2024			Temporary credit reversed: £2,611.34
12 February 2024			£2,611.34 – appeared on bank statement 19 January 2024
Net payments rec'vd by Amex	Zero – balance owed £2,611.34		

Amex said the statements and transactions were correct and said they hadn't made any errors.

Mr B didn't agree and brought his complaint to us. Our investigator said Amex hadn't made an error, and the amount due (£2,611.34) was to be paid and had been settled by Mr B.

Mr B didn't agree and asked that an ombudsman look at his complaint. He further said that he'd paid a large amount off which was due on his statement dated April 2024 – more than £5,000 was paid to Amex and this included the amount of £2,611.34 that Amex said he owed. So – he repeated that he'd paid Amex £2,611.34 too much.

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.

In reviewing Mr B's complaint, it's important to note that our service doesn't provide an audit function.

That said, I reviewed the payments and receipts made from and to Mr B's bank account (he gave us these to review) and the payments in and out of his Amex account. The transactions are shown in the tables above.

As can be seen, these show:

Bank account:

- There were three payments to Amex for £2,611.34 and three credits from Amex for £2,611.34.

- So, on a net basis, no payment was made to Amex for the period shown – up to 19 January 2024.

Amex account:

- Three payments of £2,611.34 were received by Amex, and three payments of £2,611.34 were returned to Mr B's bank.
- So, the outstanding balance of £2,611.34 remained to be paid.

So, on the basis of this, Mr B did not overpay Amex by the amount of £2,611.24. I can see that because of the series of refunds and charges, the picture can be confusing. But I'm satisfied that there wasn't an overcharge as Mr B believes there was.

Mr B said to us in his case submissions (sent to us on 24 April 2024 and on 27 August 2024) that he made a *payment* to Amex of £2,611 on 12 February 2024. I looked at this point – but this wasn't the case. There was a debit to the Amex account but this related to the credit to his bank account – which was made on 19 January 2024. There wasn't a payment made to Amex on 12 February 2024 from his bank account.

It appears to me that this is quite possibly where the confusion may have occurred – because the charge to the Amex account on 12 February 2024 related to a refund to the bank account made on 19 January 2024. And this then had to be paid by Mr B later as it was included on the statement dated 10 March 2024.

Mr B has also argued that the amount due on his April 2024 statement was too high because it included the charge of £2,611.34. I asked Amex for Mr B's statements dated March 2024 to May 2024.

The statement dated 10 March 2024 includes debits of £4,489.85 – which included the charge of £2,611.34 on 12 February 2024. And as I've shown, this amount was correctly due to be paid – even though it related to the refund made on 19 January 2024. The statement shows that £3,307.48 was to be paid.

I can see that Mr B then paid off less than the full amount due (£3,307.48) – he paid £1,623.42.

The statement dated 10 April 2024 showed an opening balance of £3,307.48, less amount paid (£1,623.42) plus purchases of £3,685.86. So – the amount to be paid was £5,369.92. Mr B paid off £5,700.50 on 30 April 2024.

So, while Mr B feels that the amount of £2,611.34 was not due – as I've shown, it was due to be paid and was correctly included in the statement balances in March 2024 and April 2024.

I think the confusion arose here because of the delay between the refund to Mr B's bank on 19 January 2024 and the charge to the Amex account three weeks later – on 12 February 2024. This meant that £2,611.34 was then due to be paid on the statement in April 2024.

I asked Amex why there had been a delay between the two dates, but didn't get an answer – so here, it seems fair to me that Amex should pay some compensation for the confusion this has caused. During our investigation Amex offered compensation of £200, which under the circumstances, I think it is a fair offer. And so this decision directs Amex to pay the amount to Mr B.

I hope my explanation and final decision here has satisfied Mr B and that he feels that this is

a satisfactory outcome to his complaint.

Putting things right

Amex must pay compensation of £200.

My final decision

I uphold this complaint. American Express Services Europe Limited (AESEL) trading as American Express must:

- Pay compensation for distress and inconvenience of £200.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 October 2024.

Martin Lord
Ombudsman