

The complaint

Mr C complains that American Express Services Europe Limited trading as American Express (Amex) made a mistake which meant he had to spend more than he should have when buying flights.

What happened

In early 2024, Mr C applied for a British Airways (BA) American Express Premium Plus card through Amex. Mr C then realised he could have benefited from additional Avios points by applying through the BA website. After contacting Amex on 18 February 2024, it cancelled the first application and Mr C applied again.

Amex rejected Mr C's second card application saying this was because he had made two applications in quick succession. Mr C appealed the decision and Amex referred the application to its credit team for manual approval. After saying that this would take 48 hours to approve, Amex took longer.

Amex approved Mr C's second application on 27 February 2024. In late May 2024, Mr C would have been able to buy flights using a companion voucher but had not yet reached the £10,000 threshold. By the time that Mr C reached the threshold on 2 June 2024, he could no longer book the companion ticket. Mr C says that if there had not been any delay with his credit card application, he would have reached the £10,000 threshold sooner and could have bought the flights using the companion voucher. So, Mr C says the delay led to a direct loss.

Our investigator didn't uphold Mr C's complaint. She said it took nine days for Amex to approve his second application, so thought its offer of £50 to apologise for any misinformation was fair.

Our investigator didn't think Amex acted unreasonably when it would not issue the companion voucher ahead of Mr C reaching the £10,000 spend on his credit card.

Our investigator said she had not seen evidence of the flights Mr C first enquired about or that the time taken by Amex to process his second credit card application directly caused him to spend more money on the flights.

Our investigator said that although Mr C thought he would have reached the required £10,000 spend by 24 May 2024 had Amex issued the card sooner or not cancelled his first application, she couldn't be sure of this.

Mr C disagrees with the investigation outcome. He says that Amex acknowledges it made a mistake when it didn't tell him that a second application might be rejected, leading to further delay. Mr C says that if Amex had made this clear, he would have left his first application in place as the timing of the availability of the companion voucher was more valuable to him than the additional Avios points.

Mr C says that BA could offer him a companion ticket a few days before reaching the £10,000 threshold but that this was not available once the threshold was met on 2 June

2024.

Mr C resents our investigator's comment that he has not supplied evidence of the initial flight being available. He says that BA does not provide written quotes but suggests we could contact BA and ask it to confirm that the companion ticket was available on 24 May 2024 but not several days later.

Mr C says he contacted Amex ahead of meeting the threshold to offer it the chance to avoid the loss by issuing his companion voucher ahead of time but it refused to do so.

Mr C accepts that it is difficult to say exactly what his loss is as the price of flights will have varied in time, so he would be prepared to compromise for less compensation but not for the £50 already offered.

Mr C says that if Amex had issued his credit card within 48 hours, then based on our investigator's analysis, the companion voucher would have been issued on 26 May 2024 rather than 2 June 2024. At which time, it is likely the flights would still have been available.

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 that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern our service allow me to take this approach. But this does not mean that I have not considered everything the parties have given to us.

I am sorry to disappoint Mr C but I agree with our investigator that Amex has already done enough to put things right.

When Mr C applied for the credit card in February 2024, I appreciate that his focus was to benefit from the companion voucher for an upcoming trip. But it would have been difficult to predict at this point when Mr C would meet the £10,000 threshold and therefore whether the companion ticket would have been available for the flights he wanted to book. So, I can't say with any certainty that Mr C would have decided not to proceed with the second application even if Amex had made him aware of the risks.

Even if I thought Mr C would have cancelled the first credit application had Amex made the risks clear to him, I still don't think the loss of not being able to use the companion ticket on a specific flight because of a delay approving the second credit card application, is one that was reasonably foreseeable. There are too many variables which would influence the availability of the companion ticket to have been certain of a date by which he needed to have met the terms of the companion voucher offer. And Mr C has not suggested that he told Amex about the upcoming trip when he cancelled his first card application. It was not until it rejected his second application, that Mr C explained he wanted to use the companion voucher for a flight in February 2025. For these reasons, I would not look to Amex to compensate Mr C for any loss he sustained because he couldn't use the companion ticket on the flights he wanted to book.

Mr C says he asked Amex to issue the companion voucher ahead of time but I don't consider it was unreasonable to decline to do this as the terms of the offer had not been met at that point. Although Mr C may have not been able to use the companion voucher when booking flights for his planned trip but he still has the benefit of the voucher to use at another time.

For all the reasons I've set out, I am not persuaded that any delays or misinformation on the part of Amex has led to a loss for which it should be required to pay more compensation than it has already offered.

My final decision

Amex has already made an offer which I consider is fair. So, my final decision is that if it has not already done so, American Express Services Europe Limited trading as American Express should pay Mr C £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 21 November 2024.

Gemma Bowen
Ombudsman