



The complaint

A limited company that I will refer to as W complains about the fees and charges it has had to pay Barclays Bank Plc under its merchant services agreement.

What happened

The following is intended only as a brief summary of events. W entered a merchant acquiring services agreement with Barclays in 2004. Unfortunately, Barclays has not been able to provide details of the application form and related documents from the time.

In January 2023, W contacted Barclays and it was confirmed that W was not benefitting from a discounted rate that it was entitled to as a member of its trade association. W was, during this phone call, led to believe it would be entitled to a refund of overpayments. Barclays moved W onto the discounted rate going forward, but did not backdate this discount.

W was unhappy with this, ultimately bringing its complaint to the Ombudsman Service. However, our Investigator did not recommend the complaint should be upheld. She said she hadn't seen any evidence to suggest W told Barclays they were part of the trade association before January 2023. So, she didn't think Barclays had been charging W incorrectly, based on the information it likely had.

W was not satisfied with this, and its complaint has been passed to me for a 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.

Having done so, I am not upholding this complaint. I'll explain why.

The charges and fees W had been on until early 2023 were at the standard rate. Barclays does offer what is effectively a discount to members of certain trade associations, including the one W is a member of. It is not clear whether W has always been a member of this trade association or if it only joined relatively recently. However, like our Investigator, I haven't seen any evidence that persuades me W had advised Barclays of this membership prior to January 2023.

Barclays requires the member of the trade association to make it aware of this membership. The trade association does not provide this information to Barclays. But the trade association apparently does let members know that there may be a discount available to them. But it is only at the point a member provides this information to Barclays that any discount can be applied.

Given I am not persuaded that W most likely made Barclays aware of this membership prior to January 2023, I don't consider Barclays was charging W inappropriately prior to this. And it follows that no refund is due for this period. Barclays then moved W onto the discounted

rate promptly, and again there is no refund due here.

I note that when W spoke to Barclays in January 2023, it was led to believe there would be a refund. But I can see Barclays has apologised for incorrectly advising W of this. And I don't consider it needs to do more in the circumstances.

There has also been reference to changing rates in 2019. Whilst the information provided indicates that Barclays likely advised W of this change, it does not appear that any change at this time is the underlying cause of this complaint. So, I do not consider I need to make a determination of this point.

The underlying cause of the complaint is whether Barclays ought to have applied the discounted rate W was technically able to receive, prior to Barclays being told that the discount may apply. And I do not consider that it should.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 15 March 2024.

Sam Thomas
Ombudsman