

The complaint

Mr K complains that Barclays Bank UK PLC don't include the non-sterling purchase fee at the transaction authorisation stage.

What happened

Mr K complained to Barclays that when he made foreign currency transactions the pending payment amount displayed didn't include the non-sterling transaction fee. That transaction fee was only shown after the transaction was completed and he thought that was misleading. He said that as the non-sterling transaction fee was a fixed percentage of the transaction amount there was no reason why it couldn't be shown in the pending payment.

Barclays explained that exchange rates fluctuated before the transaction was processed so it wouldn't be possible for them to include the non-sterling transaction fee at point of sale.

When Mr K referred his complaint to this service our investigator didn't think there was cause to uphold it. She explained that it wasn't for this service to tell Barclays what information to include on their app and she thought the fee that would be charged was made clear under the terms of the agreement Mr K had with Barclays.

Mr K disagreed he said that, unlike most other banks, Barclays were hiding the fee and weren't showing the non-sterling transaction fee that would eventually be added.

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 know it will disappoint Mr K but I'm not upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

It's not for this service to tell Barclays what information to display in their app or whether to provide an app at all. That's a commercial decision for them to make, but I can consider whether they have been fair in the way they've handled Mr K's complaint and when doing that I've considered whether they have communicated information in a clear way and have been transparent about the fees that will be attracted.

I think they have here. The non-sterling transaction fee is incorporated by reference in the terms of the agreement to the "Using your card abroad" section of the website, which says:

“If you buy something with your card while your abroad, you’ll pay one single, non-sterling purchase fee of 2.99% every time you use it.”

As it can take a few days to process a transaction the exchange rate may vary before it is processed, and the actual cost of the transaction won’t be clear until it is. In that case I can understand why Barclays wouldn’t be able to clarify the exact non-sterling payment fee. But I don’t think they had to as the percentage charged is clear in their terms and conditions and the exchange rate and non-sterling transaction fees were clearly set out on the statements they subsequently issued.

It’s for those reasons that I don’t think Barclays have been unreasonable here and I’m not asking them to take any action.

My final decision

For the reasons I’ve given above, I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr K to accept or reject my decision before 5 May 2025.

Phillip McMahon
Ombudsman