

complaint

Mr S complains that Barclays Bank UK PLC didn't make it clear that he would be charged for making transactions with his credit card. To put things right, he wants them to refund these charges and provide compensation for the trouble and upset caused.

background

Mr S took out a Barclaycard credit card in March 2017. The card benefited from two promotional offers; 0% interest on promotional spending, and 0% interest on balance transfers. Both of these offers were valid until 18 April 2019.

In January 2019 Mr S complained to Barclays that he had been charged for some gambling transactions he had made using the card.

Barclays said that gambling transactions are considered cash transactions, and the interest and fees were outlined in the terms and conditions of Mr S's account, and on his monthly statements. So they didn't agree that the charges were applied unfairly. But they did feel the service Mr S received from them when he made his complaint had been poor, and paid him a total of £50 compensation for the inconvenience caused and the time he'd spent on the telephone to them.

Mr S brought his complaint to our service as he doesn't think that these charges are clear from Barclays' terms and conditions. And he feels they've misrepresented the promotional offers he was sold.

Our investigator didn't think this complaint should be upheld. They thought it was clear from the terms and conditions that gambling transactions are subject to a cash fee. And they felt that the compensation Barclays had paid Mr S for the poor service he received when he made his complaint was reasonable.

Mr S disagrees. He thinks Barclays should have highlighted when he took out the credit card that cash purchases were not included in the interest free promotion. And he's told us he'd had problems accessing his monthly statements, so hadn't been aware that fees and interest were being applied. So the case has been passed to me to review.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I know Mr S will be disappointed, but I don't think it would be fair to ask Barclays to refund him any charges here. I'll explain why.

I appreciate Mr S wasn't aware he would be charged for making these transactions. But Barclays' terms and conditions explain that gambling transactions are considered cash like transactions, and are one of the things that make up the cash balance on the card. They also state that a 2.99% fee applies to cash transactions.

This is the fee that was applied to Mr S's transactions. So I'm satisfied that Barclays were entitled to apply this fee, and did so in line with the terms and conditions of the account. I understand Mr S doesn't feel that the terms and conditions explain this very well. But having read them I'm satisfied that they do set this out clearly.

Mr S's account had the benefit of two promotions, one of which was for 0% interest on promotional spending. I can see that in addition to the cash transaction fees, Mr S was charged some interest on the cash balance on his card. Mr S didn't realise that these transactions weren't included in the interest free promotion on his account. So I appreciate why he's upset about this.

The terms and conditions explain that the main balance of the account is made up of the standard balance, cash balance and promotional balance. So I think it's clear that the cash balance is separate to any promotional balance – which the terms and conditions say is made up of transactions with promotional terms. So in my opinion Barclays were correct to apply interest charges to Mr S's cash balance.

Mr S feels it should have been highlighted to him when he took out the card that cash transactions were excluded from the 0% interest promotion. I've listened to a number of call recordings from around this time, and I can't hear that he was told this. But the advisor Mr S spoke to about Barclays' credit card offers didn't go into any detail about the terms and conditions of them. And I can't hear that Mr S asked him to. Furthermore, I agree with our investigator that it wouldn't be reasonable to expect Barclays to highlight all of their terms and conditions over the telephone.

Mr S has asked us to listen to a call he had with Barclays after raising his complaint with them. Barclays haven't been able to locate this call. But they've confirmed that the marketing material Mr S would have seen didn't state that cash transactions were excluded from the promotional offer either. They've said this is because the relevant charges are detailed in the account terms and conditions, and customers are directed to read these. Mr S says he didn't do so because he was told they just contained general information about the account. And he considers this term to be an unusual one that Barclays should have taken steps to draw to his attention.

Barclays don't agree - they say that all card providers will charge a fee for cash like transactions and treat these differently to other purchases. I appreciate Mr S might not have been familiar with this. But Barclays have explained he would have been asked to read the account terms and conditions when he made his credit card application online. Even though I appreciate he didn't realise they would contain information relevant to the promotions, I think it's reasonable for Barclays to expect him to have done so. And if he had, I feel he ought to have reasonably been aware of these charges and the fact the cash balance wasn't included in the 0% interest promotion.

I can also see that the fees and interest charges for these transactions were clearly explained on Mr S's account statements. And that they were listed separately from 'promotional transactions'. So again, I think Barclays took reasonable steps to make the charges clear to Mr S, and to show him that they weren't part of the promotional offers.

I understand Mr S wasn't able to access his account statements for some time as he had problems logging into his online account, so he hadn't seen that these charges were being applied. I appreciate if he had done, he would have acted sooner to avoid them.

Barclays have shown us that they don't have any record of Mr S telling them he needed help accessing his statements. And the only time I can hear Mr S mentioned he wasn't able to log in online on the calls I've listened to he told the advisor this was just because he didn't have his credit card with him, but he'd log on later. If Mr S had told Barclays he wasn't able to view his statements, I'd expect to see that they'd tried to help him. But as I haven't seen any evidence that he did, I don't think it would be fair for me to ask them to refund him any fees or interest because of this.

I do agree that Barclays didn't provide Mr S with the level of service he should expect when he raised this complaint with them. And I appreciate that would have been very frustrating. But I feel the £50 compensation he's been given for this is reasonable in the circumstances.

I appreciate Mr S will be very disappointed, but as I haven't found that Barclays made any further error or acted unreasonably when they applied the fees and interest to his account, I'm not going to ask them to do anything further in respect of this complaint.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 7 July 2019.

Jenette Lynch
ombudsman