

The complaint

Ms S complains that Barclays Bank UK PLC delayed in closing and sending her the funds from her Cash ISA.

What happened

Ms S needed to close all her accounts with Barclays as she had moved abroad and could no longer be a customer. She made a previous complaint to this service concerning her difficulties in doing so. Apart from her ISA, her other accounts were closed and following our Investigator's view, Barclays agreed to pay interest at the rate she would have earned in the overseas account the money was transferred to.

Ms S still needed to have her ISA closed and the funds transferred. She wasn't able to communicate by post and Barclays has said it can't make outgoing calls to where she lives. As a result of her previous complaint, Barclays agreed to provide a contact email address.

After some difficulty in re-establishing contact, Barclays advised that the account had been made dormant as of January 2025. It said Ms S needed to contact the dormancy team. She emailed the team using the address provided but the email bounced back.

Following further contact with our Investigator, Barclays confirmed it was closing the account without the need for Ms S to use the dormancy reclaim process. The funds were transferred to Ms S's overseas account on 5 September 2025. However, Barclays hasn't advised how much in GBP (pounds sterling) was exchanged into the local currency.

Our Investigator said that Barclays should have done more to close Ms S's ISA at the same time as her other accounts, which were closed in January 2025. They proposed that Barclays pays £300 compensation. And that it confirms the balance in GBP that it transferred to Ms S's account in September 2025. And pay interest from 17 January until 5 September 2025 at 5%.

Ms S accepted the Investigator's proposals.

Barclays didn't agree, though it hasn't set out any alternative proposals.

The matter has been passed to me for an Ombudsman's consideration.

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 think it's important to consider the background to this complaint, which started with a complaint made by Ms S about the closure of her other accounts. In respect of those accounts our Investigator's view was accepted by both parties. This included a requirement for Barclays to pay interest at 5% on the other accounts. Also, in light of Ms S's difficulties with contacting Barclays, it accepted a proposal to provide a point of contact and an email address.

Barclays was unable to provide an individual point of contact. It did provide an email address, which Ms S used to try and contact it. She says she didn't receive any reply and I've seen no evidence of such a reply. Unfortunately, emails do go astray.

From the evidence provided I think Barclays was aware that the ISA needed closing. It wrote to Ms S by post on 16 October 2024 advising that it would be closing the account. And in its previous final response letter of 24 December 2024, it said: "*A call will also be made from one of my colleagues to discuss the open ISA that you would also like to reclaim.*" Given Barclays' difficulties in making outgoing calls to Ms S I don't think that was a practical proposal. However, after that letter and up until the date of closure of the other accounts (and making the ISA dormant), Ms S called Barclays on 17 occasions. And she sent in the reclaim form for the ISA on 29 December 2024.

Given that, it's difficult to understand why Barclays made the ISA dormant, rather than arranging for the funds to be paid out.

Barclays didn't advise us that the account had been made dormant until 11 June. It provided an email address for the dormancy team which we passed to Ms S. I understand that she used that address but received a notification that the email had bounced back.

We advised Barclays that Ms S wanted to make a further complaint about the ISA on 25 June 2025. Barclays contacted Ms S on 28 August asking for her overseas account details which she immediately provided. It didn't formally advise receipt of the complaint until 4 September. I understand that the funds were received into Ms S's overseas account on 5 September.

Our Investigator, as I've set out in the background above proposed that Barclays pay £300 and pay interest as I've also set out above. It's important to note that the interest rate of 5% is that earned by Ms S in her overseas account from January to September 2025 and that this was accepted by Barclays in respect of her complaint about her other accounts.

Barclays said in response that it provided an online link on 9 June as an alternative to the email address or a postal address for Ms S to use. Our Investigator had advised that the email had bounced back but received no response from Barclays. And Barclays had previously agreed to provide an email address and a point of contact for Ms S.

Overall I think that Barclays was aware that the ISA needed closing and should have arranged this as part of the closure of the other accounts. Making the account dormant just caused further difficulties for Ms S. I think that the proposed payment of £300 for the further distress and inconvenience she suffered is fair and reasonable.

Further Barclays should pay compensation for loss of interest as set out below.

Putting things right

Barclays should pay compensation of £300.

It should pay interest* at 5% on the amount of the ISA made dormant on 17 January 2025, from that date up to and including 5 September 2025. It may deduct interest, if any, earned on that account between those dates and included in the final balance.

It should provide a full breakdown of the amount paid in GBP to Ms S's overseas account on 5 September 2025, and of the amount of interest earned between the above dates, and the interest paid as a result of this decision.

My final decision

I uphold the complaint and require Barclays Bank UK PLC to provide the remedy set out under “Putting things right” above.

*HM Revenue & Customs may require Barclays to deduct tax from any award of interest. It must give Ms S a certificate showing how much tax has been taken off if she asks for one.

Under the rules of the Financial Ombudsman Service, I’m required to ask Ms S to accept or reject my decision before 17 December 2025.

Ray Lawley
Ombudsman