

The complaint

Mr C complains that he was given incorrect information about how his Cash ISA held with Leek United Building Society trading as Leek Building Society worked, resulting in him moving funds out of the tax-free wrapper.

What happened

Mr C held a Cash ISA with Leek building society.

Mr C says he visited a branch to ask if it was possible to withdraw funds from his Cash ISA to make a large purchase.

He says he explained that he would be redepositing the funds at a later date and was told by a member of staff he could do this without losing the benefits of the ISA tax-free wrapper.

A few months later Mr C visited the branch to redeposit the funds and was told he couldn't because the rules of the Cash ISA don't allow it.

Leek said this wasn't a feature of the type of ISA held by Mr C, and the account type he refers to (a Flexible Cash ISA) doesn't form part of its product range.

It told our investigator that all staff received regular training on its products and was confident Mr C hadn't been given incorrect advice or information.

Our investigator said that on the balance of probabilities she didn't think Mr C had been given the wrong advice, and so she didn't think Leek needed to do anything to put things right.

Mr C didn't agree with the investigator's view and asked that the case be referred to an ombudsman.

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.

There's been a lot of detailed correspondence around the evidence for which I'm grateful. But this is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply here. I can confirm all the evidence provided by both sides has been considered.

The crux of this complaint is whether Mr C was given wrong advice when he withdrew the full balance - which exceeded the £20,000 annual subscription allowance of his Cash ISA - with the intention of redepositing the same amount later that same tax year.

Where there is an absence of evidence, such as in this case which relies on recollections of

conversations, I must make my decision based on the balance of probabilities.

The problem seems to have arisen because Mr C thought he held a Flexible Cash ISA. However, this isn't an account type offered by Leek.

Mr C says he doubts that Leek staff are familiar with Flexible Cash ISAs. I can't say if this is true, but I would only expect Leek staff to be aware of and able to discuss the features and benefits of products it offers.

Leek has told us that its staff undergo regular training to meet internal and regulatory requirements. This is standard industry practice. It shared details of the ISA training it provides to staff with Mr C and this service.

The Cash ISA is a straightforward product with simple rules on annual allowances and subscription values. Given the simplicity of the Cash ISA and the regular training received, I think it unlikely the member of staff would have advised Mr C he could withdraw a sum of more than his annual ISA allowance and then redeposit the same amount at a later date.

The staff member doesn't recall the conversation with Mr C, which in view of the time passed and the number of customers they interact with daily is understandable.

I believe Mr C when he tells us that he visited the branch for guidance and I thank him for the supporting witness statement he has provided, but on balance I think it's likely that a misunderstanding arose during the conversation between himself and the member of staff.

Mr C feels strongly that product information available on Leek's website which describes Cash ISA accounts as 'flexible' is deceptive. He says it has previously been concluded that for financial institutions to describe Cash ISAs in this way is misleading, and he has provided what he says is evidence of this.

I've reviewed the information Mr C sent, however this is a newspaper opinion piece from 2016 and not a finding by a court or regulatory body.

Mr C also says that the lack of flexibility is hidden away in the terms and conditions of the account.

In reaching my decision I reviewed the product description for the Cash ISA Mr C holds, in particular the section on withdrawing funds from the account:

Can I withdraw money?

'This is an easy access account. You can take money out whenever you wish. This is not a flexible ISA, any amounts withdrawn can only be replaced by using your current years' ISA subscription allowance.'

I think this makes clear the rules for withdrawing funds, and most importantly for the issue at the heart of this complaint, that it is not a Flexible Cash ISA.

I don't think this is hidden away, as it is available on the front page of the Key Product information sheet.

Mr C has also said he feels the Cash ISA was mis-sold to him when he opened it. He says had he known it wasn't a Flexible ISA he would have moved his ISA funds to a provider that did offer the Flexible ISA as an option. As this hasn't been raised with Leek directly, I am unable to consider this as part of my decision.

Mr C retains the right to raise a complaint about this to Leek who will investigate and issue him with a response.

Mr C withdrew the funds from his Cash ISA with the intention of making a large purchase less stressful for him and his wife and so I am sympathetic to his frustration. But as I don't think Leek made a mistake, I won't be asking it to do anything more.

I realise Mr C will be disappointed with my decision, but I hope I have clearly explained my reasons.

My final decision

For the reasons given above, 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 C to accept or reject my decision before 19 May 2026.

Petina Edwards
Ombudsman