

The complaint

Mrs P complains that Embark Investment Services Limited trading as Scottish Widows platform merged two of her Individual Savings Accounts (ISAs).

What happened

In early 2022 Mrs P saw that her two ISAs had been merged into one account without prior notice.

Scottish Widows apologised and offered £50 for what happened. They said the accounts were merged when moving from a previous platform to Embark, which is now the Scottish Widows platform. This is because the new platform only allows for one ISA per customer. They apologised for not notifying Mrs P of the changes. Scottish Widows also said the changes hadn't resulted in any difference to the holdings in the account.

Remaining unhappy Mrs P brought her complaint to our service where one of our Investigators looked into what happened. When dealing with our Investigator Scottish Widows offered a further £250 as an apology for what happened, making a total offer of £300.

Our Investigator thought the £300 was a reasonable payment for the inconvenience caused. They were also satisfied that the merger of the two accounts hadn't had any effect on the value of the ISA. They also said that Scottish Widows should allow Mrs P to transfer her ISA to another provider free of charge should she wish to do so.

Mrs P remained unhappy, so the matter has come 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.

It's clear how strongly Mrs P feels about what happened. I want to assure her that I've read and considered all of the information that has been provided even if I don't mention it in detail. I've summarised some things which reflects the informal nature of our service.

The merger of the ISAs happened because of a change in platform provider. The platform provided by Scottish Widows only allows for one ISA per customer.

The issue here is that Mrs P wasn't told about the merger of accounts before it happened; and she should've been. Scottish Widows have apologised for this and offered a payment of £300. Looking at everything that happened I'm satisfied that is a fair and reasonable way of putting things right.

From the information I have seen the change of platform, and therefore the merger of the accounts, was always going to happen. Had Mrs P been given notice there might have been an opportunity for her to transfer the accounts to a new provider. Whilst Mrs P wasn't given that chance, it is always possible to move the account now to a different provider. And the

£300 covers any inconvenience caused by that process, and for the upset caused by the lack of notice. I know what happened was annoying for Mrs P, especially as one of the accounts, whilst in her name, was intended for her son. However I haven't seen any evidence of a financial loss caused by what happened.

Mrs P has some concerns about the value of the account since the merger. Our Investigator provided details about the value of the account over the last few years, so I won't repeat all the detail again here. Taking into account everything that has been provided I don't think there has been any financial loss.

I'm satisfied the correct value of the two previous accounts were merged into the one account when the transfer happened. Since that time there have been fluctuations in value due to market forces. This isn't unusual for accounts of this type and it's important to note that financial performance, or return, is never guaranteed.

Having carefully considered everything that happened I'm satisfied the offer of £300 is a fair way of resolving the complaint.

Putting things right

Embark Investment Services Limited trading as Scottish Widows platform should pay Mrs P £300 for the inconvenience caused.

They should also allow Mrs P to transfer her ISA to a new provider without charge should she wish to do so.

My final decision

Embark Investment Services Limited trading as Scottish Widows platform has made an offer to pay £300 to settle the complaint and I think this is fair in all the circumstances.

So my decision is that Embark Investment Services Limited trading as Scottish Widows platform should pay Mrs P £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 21 August 2025.

Warren Wilson

Ombudsman