

The complaint

Miss O complains that Embark Investment Services Limited (“Embark”) failed to follow her instruction to not pay her interest on her stocks and shares ISA. She requested this due to her religious beliefs.

What happened

Miss O held a stocks and shares ISA account with Embark. She says that, due to religious reasons, her independent financial advisor (“IFA”) contacted Embark on 29 November 2024 to request that no interest be generated or paid to her. Embark confirmed that it was unable to turn off the applications of interest and selling down a minimum of £10 for fees.

Miss O complained to Embark in December 2024 as she felt it should be able to offer this service.

Embark looked into Miss O’s concerns but explained that it was unable to offer this option at this time because it currently lacks the operational functionality to reliably prevent the application of interest for clients who choose to opt out of its standard proposition.

Miss O remained unhappy and so she referred her complaint to this service for an independent review. In doing so, she also noticed that a charitable donation had been made on her account of £0.29 on 29 January 2025. Miss O also informed our service that she sold her investment on 31 December 2024 for a loss of around £4 and said Embark’s actions suggest it had the capability to address the interest issue in a way that would have allowed her to avoid selling her investment, or at least her not having to do so in a rush.

One of our investigators considered the complaint but didn’t uphold it. In summary, they said:

- The terms and conditions of Miss O’s account explained that interest would be paid and there was no mention of the option of a charitable donation.
- Embark’s website also explained its policy on interest.
- On 28 January 2025, Miss O’s IFA requested that Embark close her account and the charitable donation was done as “one-off” to allow for the closure of the ISA.

Miss O didn’t accept the investigator’s findings but didn’t provide any further comments and so the complaint has been passed to me to decide.

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.

Having done so, I'm satisfied that Embark has acted fairly, for the same reasons as those given by the investigator.

Looking at all the information provided to Miss O, I'm satisfied she ought to have known that her ISA was interest-bearing and I'm not persuaded that Embark has misled her about the application of interest on the account.

Looking at the terms and conditions Miss O agreed to when opening her ISA, these explained how interest would be applied:

"Where interest is being earned, it is accrued daily by the platform based on the rate that Embark define and calculated against the clients' cash holdings that day. On the first of each month, the total of these accruals for all days in the prior month is applied to the clients account on platform, increasing their cash balance. The corresponding cash balance is paid into the client bank account on the same day."

I've also looked on Embark's website and cannot find any mention of Embark being able to turn off the interest on an account.

I also note that the terms and conditions were also clear on the application of a £10 minimum fee for disinvestment:

"Where disinvestment is needed to fund a Service Fee, we will always disinvest from Mutual Fund Assets held within your Account on a pro rata basis. A minimum of £10.00 will be sold down."

I appreciate Miss O has concerns that Embark was able to make a charitable donation of her interest when she decided to close the account and has queried why it couldn't do that more regularly. However, Embark has explained that it currently lacks the operational functionality to reliably prevent the application of interest. I must stress that our service is not the regulator, so we can't tell businesses what services they should provide or who they should offer them to. That's a commercial decision. We look at individual complaints and decide whether a business has acted in a fair and reasonable way. And considering Embark had never communicated to Miss O that this was a service it could provide, I'm satisfied it has acted fair and reasonable in all the circumstances.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 23 October 2025.

Ben Waites
Ombudsman