

The complaint

Mr M complained that after Paragon Bank Plc restricted access to his savings account at his request, it would not accept the proof of identity he supplied in order to regain access to his money.

What happened

When Mr M was worried that someone might be trying to access his bank details, he asked Paragon to freeze his savings account. He later contacted Paragon about regaining access to the money in the account. Paragon reminded him that he'd need to provide identification ('ID') before it could remove the 'stops' applied to his account. When Paragon wouldn't accept the ID he supplied, he complained.

Paragon said the documents he'd sent were illegible and incomplete and it set out its requirements again.

Our investigator thought Paragon had been reasonable, noting that some information in the documents was unclear and that Mr M had not provided a signed and dated request to unfreeze the account.

Mr M disagreed with the investigator, mainly saying that Paragon was being unreasonable – and if what he'd supplied wasn't good enough, it should treat him as a special case.

As the complaint isn't resolved, it came 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.

This includes listening to the call recordings provided.

I can understand why what's happened has been upsetting and frustrating for Mr M. But having thought about everything, I've independently reached the same overall conclusions as our investigator. I'll explain my reasons.

We offer an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint which is about the processes Paragon has in place for verifying its customers ID and whether these should apply to Mr M.

In December 2024, Paragon froze the account when Mr M reported security concerns. At that time, Paragon explained that applying 'stops' to his account would prevent anyone who had access to the account from doing anything with the money in the account. It said removing the restrictions would require a signed and dated request from Mr M, along with identification documents such as a passport or driving licence. Paragon explained he could email the documents to Paragon or send certified copies in the post.

I don't think Paragon acted incorrectly when it stopped access to Mr M's account – in the circumstances he describes this was a necessary security measure and it was done with Mr M's agreement. And I think Paragon did enough to make clear to Mr M what he'd need to do in order to be able to access the money in the account again himself.

I don't consider Paragon's ID requirements unreasonable. It has legal and regulatory obligations to safeguard customers' funds and prevent fraud, and it must satisfy itself that it is acting on genuine customer instructions. So it can't simply unfreeze the account because Mr M says he'd like this to happen, without first satisfying itself that it is dealing with Mr M in person and his instructions in this regard are genuine. This means Paragon needs to take reasonable steps to ensure Mr M is who he says he is by requiring him to produce information that supports this conclusion.

In March 2025, Paragon wrote to Mr M including information about what documents would be acceptable for its purposes and how he could send these and who can certify copies (if he didn't want to send the originals). Paragon sent Mr M further information in July confirming he could use a free post address if he wanted to send originals – and that the post office offered a certification service for a fee if he wanted to send copies. It also reminded him that it needed a signed and dated letter from him confirming that he would like the freeze removed from his account.

When Mr M explained that he wasn't easily able to have the documents certified, Paragon's compliance team confirmed the documents required to remove the stops on the account but said it would NOT need these to be certified. Paragon wrote to Mr M confirming this on 15 August 2025.

Typically, banks will often accept a driving licence as proof of ID and an up-to-date bank statement (from another bank) showing a current address and ask to see originals or certified copies. So Paragon's requirements aren't unusual or particularly onerous for Mr M to comply with.

And Mr M is able to produce the required information – the issue is the quality of the documents that Mr M supplied. Having reviewed the copies, I agree that while the photo on the driving licence is reasonably clear, the printed details cannot be made out. The bank statement is also illegible. Paragon also says it still hasn't received a signed and dated request from Mr M to unfreeze the account. In these circumstances, I don't think Paragon is acting unfairly or unreasonably by insisting on production of the information it has asked for before it will agree to unfreeze the account.

Mr M asked to be treated as a special case, but Paragon has already shown flexibility by not requiring certified copies. Further waiving of requirements could compromise its security obligations.

Paragon accounts are managed online or by post, so I appreciate Mr M can't simply go into a branch with original documents. This puts the onus on him to either post his original driving licence and bank statement along with his signed and dated request or ensure he provides high-quality scanned copies.

I appreciate this isn't the outcome Mr M hoped for. But I must be satisfied that Paragon acted unfairly or unreasonably in order to uphold the complaint, and I've not seen enough evidence of this. So I can't uphold this complaint. I hope that the way I've set things out helps Mr M to understand why.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 11 March 2026.

Susan Webb
Ombudsman