

The complaint

Mr L complains about difficulties he experienced when trying to withdraw money from his Paragon Bank Plc account due to his physical disabilities. And the lack of a banking app which could allow him to access his account via fingerprint technology.

What happened

Mr L tried to withdraw money from his Paragon account in March 2024 but couldn't within the allocated time due to his physical challenges. Mr L was finally able to withdraw all the money with the help of Paragon's customer service agents and moved this to other accounts. Mr L complained to Paragon and said other banks provide better service for customers with physical challenges. He said Paragon hasn't made reasonable adjustments for easy withdrawal and doesn't deal effectively with customers' needs.

Mr L said that due to Paragon's incompetence he transferred his accounts at lower interest rates after three separate visits to bank branches, costing him a month's interest of £383 on his savings. He wants £500 compensation for what has happened. He said banks should say if they offer fingerprint access to customers with hand disability, and that Paragon should allow fingerprint access for people like himself who have difficulty with keyboards.

Paragon responded to Mr L's complaint to say he last logged into his account on 8 March 2024 and then contacted Paragon as he was unable to log in after switching phones. Paragon said it reset his password but failed to offer to stay on the line to ensure this worked for Mr L, prompting him to call back when he was still unable to log into his online account.

Paragon said no log in attempts were made during this period suggesting use of an incorrect website, but said that colleagues should have advised Mr L of this possibility. Paragon advised Mr L about the method to log in successfully. Paragon said Mr L requested another password reset on 12 March and when this didn't work, he requested to close his account and a complaint and manager call back was logged, but no call back was made.

Concerning Mr L's request for an app, Paragon said it doesn't have one, but its online banking is compatible with android and apple devices. Paragon advised Mr L that he couldn't withdraw from his fixed rate account without penalty until maturity in August 2025. It offered to make a withdrawal on his other account, but Mr L wanted all accounts closed. Paragon paid Mr L £50, *'to recognise the customer service you have received during your calls to our customer support team and for the lack of a manager callback'*.

Mr L disagreed and referred his complaint to our service. Our investigator recommended that it be upheld. She said when Mr L called he wasn't offered the process about withdrawing funds as he should have been advised he needed a signed and dated letter requesting the withdrawal. Mr L was offered a call back from a manager, which wasn't completed. And Mr L's likely use of an incorrect website wasn't picked up to provide additional support.

The investigator wouldn't ask Paragon to do anything about an app as this is a commercial decision and not within our remit. She said Mr L had told Paragon he suffers with a physical disability, which was now noted on its system, but it could have done more to support him and should pay additional compensation of £200 for the distress caused to Mr L and the disruption to his life as he was having difficulties and needed support. She also said, if it's clear Paragon caused Mr L any loss of interest this should be credited to his account.

Paragon disagreed, and requested an ombudsman review the complaint. Paragon said its compensation was for the missed call back and not suggesting a withdrawal letter. Paragon said that other than this, it did all it could to assist Mr L, including offering to close his account over the phone. Mr L declined and Paragon said when it first became aware of his vulnerabilities, it offered to note this and put in place additional support measures.

Paragon thought its compensation fitted our compensation guidelines, *'Typically, an apology or small monetary award of less than £100 will fairly compensate a one-off incident or occurrence – such as a small administrative error or a short delay.'*

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.

In assessing whether Paragon acted fairly, I've taken into account the relevant rules and guidelines along with good industry practice. There are general principles that say a bank should conduct its business with due skill, care and diligence and pay regard to the interests of its customers. I've looked at Paragon's handling of Mr L's account issues in that light.

I was sorry to learn about Mr L's problems with his account and his physical disabilities that made it more difficult for him to use a keyboard. I can see that Mr L wasn't always able to complete the logging on and security process within the short time period required.

I take Paragon's point that using a new phone device can be difficult when logging into accounts due to the requirement of re-entering security information. And its record showing a lack of login attempts means it is possible that Mr L was inadvertently attempting to access the wrong website.

Mr L wanted a banking app because he was very quickly timed out when logging into his account. The provision or otherwise of a banking app by a bank is not a regulated activity and so not something we can consider. I agree with the investigator that this is a commercial decision that Paragon is entitled to make and we cannot require it to change its decision.

Paragon has acknowledged that it failed to provide a manager's call back as promised to Mr L. And it failed to offer him the option to close his account by provision of a signed and dated letter and didn't advise him that he may be using incorrect websites to log in to his account. Paragon said in all other respects it supported Mr L to minimise the impact of his difficulties and put things right quickly.

I was pleased that Paragon offered Mr L early closure of his fixed rate account prior to its maturity date, due to his inability to effectively manage an online account. Mr L accepted this option, and his account was closed, and funds sent.

However, from what I know about Mr L's difficulties I think that Paragon could have offered him more support on his calls. Mr L was unable to log into his account online and was timed out before he could complete the log in. He was seeking help to be able to access his account as easily as you did before he switched phones.

The assistance to Mr L could have involved the things Paragon has acknowledged as well as talking Mr L through its processes and taking the extra time to address his issues and explain how to gain account access with his new phone device. I agree with the investigator that Paragon could have helped resolve the issues Mr L was experiencing without him feeling the need to close his accounts.

Putting things right

I agree with the investigator that compensation of £250 falls within our guidelines for the poor service he received and having to go back and forth into the branch as a result. This includes the £50 that Paragon has already offered. Our guidance describes this

compensation as fair in respect of, *'repeated small errors or a larger single mistake, requiring a reasonable effort to sort out'*.

Because Mr L didn't feel supported with his physical difficulties he closed his accounts. He said this caused him a loss of interest, though I expect he re-invested his savings into a similar account with another bank. If Mr L can evidence a loss of interest on his savings account with regard to a new savings account, then I think it would be fair and reasonable for Paragon to pay him the difference.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require Paragon Bank Plc to pay Mr L a total of £250 compensation. I also require Paragon Bank Plc to compensate Mr L for the loss of a month's interest on his Paragon savings account, less any interest Mr L earned during the same period on these funds in a new account. Mr L should provide Paragon with any supporting evidence it requires about the subsequent interest earned on these funds.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 24 December 2024.

Andrew Fraser
Ombudsman