

## The complaint

Mr K complains MIR Limited UK Ltd unfairly closed his account and provided him with poor service.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr K held an account MIR Limited (trading as MuchBetter). In late October 2024 Mr K made an attempt to withdraw funds from his account. MuchBetter asked Mr K about the funds and account activity. Mr K raised concerns about the questions posed by MuchBetter and the service he had received recently. Mr K said he was unhappy he had been charged a withdrawal fee, and that he had been told he would be sent a fob yet he hadn't received one.

On 30 October 2024 Mr K spoke to MuchBetter about his concerns. Mr K was told that sometimes MuchBetter needs to ask customers about transactions. Mr K was also informed that the fee charged to Mr K was in line with the account terms. During the call Mr K explained he had blocked himself from all gambling sites in the UK as he could see gambling becoming an issue for him in the future.

On 31 October 2024 MuchBetter informed Mr K it was closing his account and informed him he had a balance of £524.48 which it would transfer to a nominated account. Mr K raised a formal complaint about the handling of his account. MuchBetter explained to Mr K that it had closed his account in light of his recent comments about gambling, and it believed this action was appropriate to protect Mr K.

On 4 November 2024 MuchBetter asked Mr K for account details so the balance in his account could be transferred to Mr K.

Mr K remained unhappy with MuchBetter's actions and referred his complaint to our service. In his referral Mr K complained about the following key issues:

- Much Better unfairly blocked the withdrawal Mr K tried to make.
- MuchBetter failed to send a contactless fob as agreed.
- He was charged fees for a service that wasn't instant, as promised.
- He received poor service, and calls weren't returned as agreed.
- MuchBetter closed the account unfairly.

An Investigator reviewed Mr K's concerns, and in summary made the following findings:

- Based on Mr K's comments, it wasn't necessary for MuchBetter to close the account but MuchBetter isn't under an obligation to continue to offer an account to Mr K.
- MuchBetter asked Mr K for account details, this was reasonable, even if Mr K thinks MuchBetter already had these details.
- It was reasonable for MuchBetter to ask Mr K transactions – it did so to meet its

regulatory requirements.

- There wasn't an unreasonable delay in the withdrawal Mr K made, as there isn't anything that suggests it was going to be instant.
- Although MuchBetter didn't call Mr K when he requested this, this wasn't unfair as it mainly offers customer support by email.
- The account closed before MuchBetter could send Mr K the fob for his account.

Mr K remained unhappy and maintained MuchBetter had provided him poor service and unfairly withheld his funds.

As no agreement could be reached, the case has been referred to me – an ombudsman – for a final 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.

Firstly, I am sorry to see Mr K has had cause for complaint. I can see he has found MuchBetter's actions highly unacceptable. Mr K has made detailed submissions, and I'd like to reassure Mr K that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having looked at the complaint fully, my review of the evidence has led me to the same overall conclusions as the Investigator previously set out and for much the same reasons. I will address the key points in turn and explain why.

#### Account review

Mr K used his account regularly, and in August 2024 he was asked to validate payment by providing proof of address. Mr K provided a bank statements, and in October as part of its review MuchBetter offered Mr K a physical card and fob. In late October MuchBetter queried another withdrawal Mr K tried to make – Mr K was asked about the nature of the transaction by MuchBetter. Mr K feels this scrutiny by MuchBetter was unnecessary and unfair.

I'll start by setting out some context for the review of Mr K's account activity. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations and aim to protect consumer accounts from fraud and financial crime. In Mr K's case I'm satisfied MuchBetter was complying with these obligations when it queried activity on Mr K's account.

The terms and conditions of the account form the fundamental basis for the relationship between Mr K and MuchBetter. Mr K's account terms and conditions also allow MuchBetter to verify account activity, so I consider the action taken by MuchBetter to be appropriate in the circumstances.

I understand Mr K's frustration with the steps taken by MuchBetter as he says the funds within the account are his and he should be able to use them without hindrance. It is not in dispute the funds belong to Mr K – however, in having an account with MuchBetter Mr K is

entrusting it to hold these funds. And as explained this agreement comes with certain terms and conditions, which Mr K agreed to when the account was opened. So I won't be asking MuchBetter to take any further action in relation to this aspect of his complaint.

### Service issues

When Mr K raised his concerns with MuchBetter he highlighted that he was charged fees which he felt were unfair. MuchBetter explained the fees are necessary to cover its internal and external operational costs. I can also see Mr K says he paid a fee for an instant service, but the service wasn't instant. I've thought about Mr K's comments, and I understand his frustration with not receiving the service he expected. However, I can't see that MuchBetter set out to provide a service in the manner Mr K expected. The account details generally advise that a transfer or withdrawal will take 3-5 working days. This is a fairly standard timeframe, and I can't agree that MuchBetter charged a fee for a different level of service.

Mr K also highlighted that he was told he would be sent a fob but this hadn't been received. I can see MuchBetter explained that it takes 1-2 days for the order to be processed and dispatched and then a further 10-20 business days for it to arrive at the registered address. I appreciate this was a longer timeframe than Mr K anticipated, but MuchBetter has explained this is its standard timeframe. In addition, MuchBetter explained that as the decision was made to close Mr K's account, the processing of the fob request was cancelled. I can also see Mr K was able to use his MuchBetter account whilst he was awaiting the fob, so I can't see that the wait has caused him any detriment.

Mr K has also expressed his dissatisfaction with the service provided by MuchBetter. He says his calls were not returned and his multiple complaint points weren't effectively addressed. MuchBetter says its primary method of dealing with customer service issues is email. However, it can make contact by phone, and in Mr K's case I can see there were several calls between MuchBetter and Mr K. So although I understand Mr K's concern that he wasn't being contacted, after considering the timeline of communication, I'm satisfied MuchBetter took adequate steps to talk to Mr K and engage with him and his concerns.

I note some of Mr K's points regarding the service from MuchBetter involve how it runs its processes. It is the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. We do not perform the role of the industry regulator, and it is not our role to comment on how businesses conduct their operations. That's the role of the regulator, the Financial Conduct Authority (FCA). For these reasons I won't be responding to some of Mr K's comments about the way MuchBetter operates on a general level.

### Account closure and access to funds

During a call between MuchBetter and Mr K at the end of October 2024 he explained that he had concerns that gambling could pose problems for him and that he had used tools to block himself from using gambling sites in the UK. This conversation prompted MuchBetter to review the account overall and whether it should continue to provide Mr K with services.

Mr K says this decision was unfair, and his comments weren't intended to result in the account closure. MuchBetter says that Mr K's comments about gambling meant he was a 'vulnerable customer', and it has specific guidance in place for ensuring it can support these customers appropriately. I must also highlight The FCA published guidance for firms on the fair treatment of vulnerable consumers in 2021 which provides a helpful framework. However, there is no prescribed process for firms how to deal with every vulnerable consumer. It very much depends on the individual and the circumstances of the case.

MuchBetter has shared with this service its internal guidance on how to support vulnerable customers, and those at risk of harm from gambling. I understand the Investigator found MuchBetter didn't need to close the account, but my review of the guidance and circumstances leads me to find MuchBetter acted responsibly in closing the account immediately. Given its account can't be restricted to prevent gambling activity, MuchBetter's decision to close the account immediately meant there was no opportunity for Mr K to conduct gambling transactions.

I understand Mr K says he didn't need assistance and that there was no need for any restrictions to be placed on the account, or for it to be closed. But the action MuchBetter took was in line with its internal policy, and I consider the steps it took in keeping with regulatory guidance and the overarching aim of preventing harm to customers and their accounts. So I don't consider MuchBetter's actions here to be wrong or unfair.

Following its decision to close Mr K's account MuchBetter asked Mr K for account details. MuchBetter's internal notes don't show a response being received from Mr K. I understand Mr K says MuchBetter already had details of another account held by Mr K, but I think it was reasonable for MuchBetter to check the exact account Mr K wanted his funds returned to. Mr K says his funds were unfairly withheld, but I can see once the Investigator provided the details to MuchBetter, the transfer was completed promptly. I therefore don't find MuchBetter withheld the funds unfairly from Mr K, or that it ought to compensate him for any delays in receiving the funds.

I'm sorry this isn't the outcome Mr K hoped for. I do hope my final decision provides some assurance that his concerns have been properly considered and sets out why I won't be asking MuchBetter to take steps to compensate Mr K.

### **My final decision**

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 K to accept or reject my decision before 23 October 2025.

Chandni Green  
**Ombudsman**