

The complaint

Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance provided Mrs B with an £8,000 loan in February 2021. It had a 60-month term, and the monthly repayments were £237.90. Mrs B says the loan was provided irresponsibly.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Mrs B's case.

I've decided the loan was provided fairly because:

- I think the checks Novuna did before providing the loan were reasonable and proportionate given the amount applied for and what it knew about Mrs B's financial situation.
- Novuna validated Mrs B's income during its credit checks - and those checks didn't show any recent adverse information being reported. They also suggested Mrs B was managing her accounts well. I've noted what Mrs B has said about being in a debt management plan, but this wasn't showing in the information Novuna gathered from credit referencing agencies. In turn, it wasn't something Novuna could take into consideration because it wasn't aware of the plan.
- Based on the information Novuna gathered and what it knew about Mrs B's circumstances, there was nothing to suggest Mrs B was likely to be unable to sustainably repay what she was being lent.
- I don't think Novuna acted unfairly in any other way.

This means I don't think Novuna did anything wrong when it provided the loan to Mrs B.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Novuna lent irresponsibly to Mrs B or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mrs B hoped for. But for the reasons above, I'm not asking Novuna to do anything to put things right.

My final decision

My final decision is that I'm not upholding Mrs B's complaint about Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 5 January 2026.

Sarrah Turay
Ombudsman