

The complaint

Ms W complains about the outcome of a claim she made to Mitsubishi HC Capital UK PLC trading as Novuna Consumer Finance (“Novuna”) in respect of a kitchen order.

What happened

In May 2023, Ms W took out a fixed sum loan agreement with Novuna to pay for the supply of a kitchen from a supplier I’ll call ‘H’. Unfortunately, there were problems when the items were delivered, in that some units didn’t fit and there was no space for corner units due to what Ms W said was mismeasurement by H’s approved designers. Ms W also says a specialist tap couldn’t be fitted.

Ms W complained to H and said they then accused her of changing the physical structure of the kitchen which meant the kitchen couldn’t be fitted in line with the design and accused her of money laundering. She was asked to return the tap to H and says they assured her they would send a replacement or pay equivalent compensation.

H offered Ms W a refund of £719.15 for the returned kitchen units, £200 compensation for the problems she’d experienced, and a replacement tap. Ms W says she reluctantly accepted this, but H didn’t pay her these amounts and then said she wasn’t entitled to the tap. So, Ms W complained to the Furniture and Home Improvement Ombudsman (FHIO) about H, who said that H’s offer to refund the units and pay compensation was fair, and that Ms W wasn’t entitled to a cash refund of the tap because it had been supplied free of charge.

Ms W brought a claim to Novuna under section 75 of the Consumer Credit Act 1974 as she remained unhappy with what had happened. Novuna said that H had refunded her the £719.15 and were in the process of paying her the £200 compensation, although they said the reason why this hadn’t been paid was because Ms W didn’t accept the findings of the FHIO. Novuna also said that Ms W wasn’t entitled to a refund of the tap as there was no cash price attached to this, and she hadn’t sent enough evidence to show that H had promised to refund her.

Ms W complained to Novuna, but they didn’t uphold this. So, she referred her complaint to our service. Our investigator didn’t think Novuna needed to do anything to put things right. In summary, she said she hadn’t seen evidence that some of the kitchen units had been damaged or were of unsatisfactory quality, and that Ms W was responsible for checking that the kitchen measurements were accurate to ensure the units could be fitted. Our investigator also said Novuna didn’t act unreasonably by not paying her a refund for the tap as there was no cash price attached to this.

Ms W didn’t agree. She said that H’s designer came round to her house to double check the measurements and to ensure the space sizes were correct. So, Ms W essentially said that it was the designer’s fault that the kitchen couldn’t be fitted correctly. Ms W also said the tap couldn’t fit under the sink and H told her she could return it and receive compensation. And she said she was missing a corner wall cupboard to house the gas boiler as the external wall wasn’t wide enough.

Ms W's complaint has been passed to me to decide.

I issued my provisional decision on 13 June 2025, relevant extracts of which I include below and which form part of my final decision.

I'm sorry to hear about Ms W's experience with the kitchen. However, it's important to note that Novuna isn't the supplier of the kitchen. Its role is as a finance provider – and it's that role that I'm considering here. So, my focus here in deciding what's fair and reasonable is how Novuna responded to the claim Ms W made to them, and whether in the particular circumstances this was fair and reasonable.

Under section 75 of the Consumer Credit Act 1974 ("section 75"), Ms W can hold Novuna responsible for a 'like claim' she would have against the supplier for a breach of contract or misrepresentation. Certain criteria need to be met for section 75 to apply relating to matters such as the cash price of the goods or services and the relationship of the parties to the transaction. I'm happy those are met here.

I would firstly like to reiterate the fact that Novuna is responsible for a 'like claim' that Ms W has against H. I mention this because I think it's important to note that Ms W has already had her complaint against H looked at by The Furniture and Home Improvement Ombudsman (FHIO) who is a separate, and comparable, Alternative Dispute Resolution body to us.

The complaint we're investigating is Ms W's complaint against Novuna, not H. So, it's not the case that the FHIO has already decided Ms W's complaint. However, their findings will be relevant to the 'like claim' Ms W has against Novuna, as her complaint is essentially the same for both in that she's unhappy with the kitchen she ordered from H and the service they provided. I can't therefore ignore the fact that the FHIO has already given their opinion that H's offer to refund £719.15 for units, pay £200 compensation for the problems Ms W experienced with H, and that she isn't due a refund for the tap, is fair and that she isn't entitled to claim anything further. The FHIO also said that it was Ms W's responsibility to ensure the space for the kitchen was measured correctly and noted that the kitchen was supply only (so H wouldn't be responsible for any issues with the fitting as that didn't form part of their contract with Ms W).

With this in mind, I don't think that Novuna's response to Ms W, which essentially mirrored what the FHIO said, was unfair or unreasonable. For me to now find that Novuna should do anything more than what H already offered would essentially mean I would have to find directly against what the FHIO said (which isn't within my remit to do) or find that Novuna mishandled Ms W's claim in some way. I haven't though seen much evidence of the latter. From what I've seen, Novuna initially told Ms W that they wouldn't look at her claim because the FHIO was looking at her complaint against H. That doesn't to me seem an unreasonable position to take as that might have led to an amicable resolution at the time.

I invited Ms W and Novuna to provide any further evidence or comments for me to consider.

Novuna said they accepted my provisional decision and had nothing further to add.

Ms W replied saying she was unsatisfied with my proposed decision. She mentioned she was very upset about what had happened with the hot water tap and said this had a value of £500. Ms W also said she was unable to trace a payment of £200 into her bank account.

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.

I'd like to thank both parties for their responses to my provisional decision.

I've noted Ms W's comments about the hot water tap having monetary value, but I would go back to what I said in my provisional decision in that the FHIO had already ruled that this wasn't the case. And I mentioned that I would need to essentially rule against those findings to find in Ms W's favour, which wasn't within my remit to do.

Ms W says she hasn't been able to trace the £200 compensation that H agreed to pay. I understand that Novuna feels that H has paid this to her. I would suggest that Ms W send Novuna a copy of her bank statements from July 2024 onwards to them (as according to Novuna this was the date when H were given her bank details to process this payment). If no credit for £200 is shown, then Novuna will need to pay her this amount, as I gather H is now in liquidation. It would only be reasonable for Novuna to do this bearing in mind they are liable for the 'like claim' made by Ms W.

My final decision

I don't uphold this complaint, but Mitsubishi HC Capital UK PLC trading as Novuna Consumer Finance should take action regarding any outstanding compensation as I've mentioned above if this is still unresolved.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 25 July 2025.

Daniel Picken
Ombudsman