

The complaint

Mr D is unhappy with how Mitsubishi HC Capital UK PLC, trading as Novuna Personal Finance ('Novuna') have reported his loan to the credit reference agencies (CRAs). Mr D is also unhappy with how Novuna engaged with him.

What happened

In June 2024 Mr D entered into a regulated fixed-sum loan agreement. Mr D borrowed £17,000 and was charged interest of £10,221.04, making the total amount payable £27,221.04. The loan was arranged over 84 months and Mr D's monthly payments were £324.06.

In November 2024 Mr D contacted Novuna with concerns they were inaccurately reporting his loan to the CRAs. Mr D said he had only borrowed £17,000, but Novuna were reporting he owed over £27,000.

Novuna said they had done nothing wrong as they were legally required to accurately report the status of each customer's agreement to the CRAs. But as Mr D did not understand what this meant he attempted to query this further with Novuna. Novuna delayed responding to Mr D and eventually raised a second complaint for Mr D to do with his concerns about their complaint handling and the statement they had made about their legal requirements. Novuna apologised for the delay and any confusion in the terminology they had previously used, and paid Mr D £110 for the trouble caused.

Our Investigator concluded that, in the circumstances, Novuna were fairly reporting Mr D's account to the CRAs. They also explained it was not possible for them to consider complaints about a firm's complaint handling.

Mr D broadly accepted the Investigator's position about how Novuna was reporting his loan, but did not accept that Novuna's treatment of him could not be considered. Mr D said £110 did not go far enough to recognise the trouble and upset the matter had caused him at what was already a difficult time for him.

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've only included a summary of what's happened above, and while I may not respond to every point each party has raised, I have reviewed all the submissions available and focused on what I consider relevant to reaching a fair and reasonable resolution in this matter.

To reach a fair and reasonable decision I have taken into account any relevant law and regulations, regulator's rules, guidance and standards (including Consumer Duty), codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

It is not my role to fine or punish a firm, or to interfere with a firm's systems, processes or controls – these are all considerations for the appropriate regulator.

These events stem from Mr D's concerns about how Novuna was reporting his loan to the CRAs.

Novuna have a responsibility to report fair, accurate and up to date information to the CRAs, but there is no prescribed way in which they are required to do this and the respective CRAs may present the same information slightly differently to organisations and prospective creditors using their credit files.

From the submissions available, I've not seen enough to persuade me Novuna have unfairly reported Mr D's loan given his loan agreement does set out that the interest is calculated in advance and applied on the date of the agreement, so setting out the total amount Mr D would owe.

I am aware Mr D's concerns are that this style of reporting would put him at an unfair disadvantage when seeking out new credit arrangements, but there is nothing I have seen to support this here - as I've said above, it appears the information was being fairly reported. Creditors take into account a number of different variables when deciding whether to provide someone with credit, including an individual's ability to sustainably afford payments. So it may be helpful for Mr D to also consider that his monthly payment and term of loan was being accurately reported to show his monthly financial commitment in relation to the loan. I've also considered Mr D's concerns that he felt very let down by Novuna's lack of engagement with him and lack of support to him.

As our Investigator explained, our service has no authority to consider complaints about complaint handling, so I cannot say whether Novuna met their obligations to set up a new complaint for Mr D or not when they ought to have done, and nor can I consider how they processed his complaints. But I can consider how Novuna supported and engaged with Mr D as he sought to better understand how his account was being reported, and to be assured that it was being fairly reported given the potential impact to his financial standing if it was not.

I've considered what evidence and submissions there are available in relation to the engagement there was between Mr D and Novuna. Having done so, I've not seen anything to persuade me that Novuna ought to increase the offer they have already made and paid to Mr D, as I'll explain.

Novuna replied to Mr D's initial complaint on 12 December 2024, and Mr D responded shortly after receiving this to seek clarity on Novuna's position. Novuna have explained that as Mr D emailed the complaint handler directly and the complaint handler was on holiday from 20 December 2024 until 7 January 2025, it meant Mr D's email went unanswered during that time. For this, Novuna apologised and paid Mr D £110.

Novuna's apology and payment was made after engagement with Mr D on 9 January 2025 led to a second complaint being set up and Novuna issuing a second final response in early February 2025. Novuna also endorsed their earlier position, and clarified the terminology and context of their previous final response from December 2024.

Mr D says he attempted to engage further with Novuna after their response in February 2025 but was ignored. Mr D also said the initial complaint handler had been unhelpful and dismissive towards him.

I realise Mr D's financial standing is understandably important to him, especially as he was looking ahead to change his mortgage interest rate. But as already set out above it is apparent, in the circumstances, that Novuna have been fairly reporting his loan account.

I think it fair to say Mr D lost confidence in what he was being told by Novuna. Mr D has shared with us that the period in question when he was engaging with Novuna was particularly difficult for him personally and this added to his concern and worry, but I've not seen anything to support Novuna were aware of this at the time.

The available evidence of the exchanges between Mr D and Novuna (including with the individual complaint handler) is limited, so it's not possible for me to know what may or may not have happened between Mr D and the original complaint handler, but Novuna did attempt to answer Mr D's questions stemming from how his account was being reported.

Mr D brought his complaint to this service in mid-February 2025, so I think it's fair to say in the absence of any further response from Novuna after their February 2025 reply Mr D had taken reasonable steps to mitigate his worries by exercising his referral rights to this service.

I was sorry to learn that things have not been easy for Mr D, and my findings here are not to be dismissive of the personal challenges he has faced. My role is to decide what is fair and reasonable in the circumstances of this matter and as I've said, it is not for me to fine or punish Novuna.

Mr D also said Novuna did not discuss the £110 offer with him, but there was no requirement for them to do so as they proposed this based on what they considered fair in the circumstances. Novuna have said should Mr D wish to return this as he has previously submitted, they can provide their account details for Mr D to do so.

Taking everything into account I've not found that Novuna acted unfairly in their reporting of Mr D's loan account, and I think the offer of £110 to recognise some delay in their response to Mr D was fair in the circumstances, so I make no further award here.

If Mr D wishes to return the £110 to Novuna, he should let them know directly.

My final decision

For the reasons above, my final decision is that I do not uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 8 December 2025.

Kristina Mathews
Ombudsman