DRN-5771733

The complaint

Mr C complains about the way Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance ('Novuna') handled his request for a refund.

What happened

Mr C's complaint is about a claim made to Novuna under section 75 ('section 75') of the Consumer Credit Act 1974. This related to the supply and installation of windows/doors by a firm I'll refer to as T – Mr C paid a deposit of around £6,500 and funded part of the contract through a fixed term loan agreement totalling £4,815 from Novuna.

Novuna declined Mr C's claim on the basis there wasn't sufficient evidence to show, as far as the contract with 'T' was concerned, that there had been a breach of contract or misrepresentation. It did, however, offer Mr C £100 as a goodwill gesture to contribute to any repairs and said if he wanted to provide an independent expert report it would reconsider its position. Novuna accepted the handling of the claim could've been better so awarded Mr C an additional £250 in compensation for these issues.

Mr C referred his complaint to us, but our investigator didn't recommend upholding the complaint. Mr C disagreed with the investigator's findings. So, the matter has been passed to me for a 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.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This isn't meant as a discourtesy to either party – it simply reflects the informal nature of our service. However, I've given careful consideration to all of the submissions made before arriving at my decision. In reaching this decision, I've had regard to all relevant law, best practice and regulations including the Consumer Rights Act 2015 and the Consumer Credit Act 1974 ('CCA').

In certain circumstances, section 75 of the CCA gives a consumer a 'like claim' against the provider of credit for goods and/or services (in this case Novuna), if there's been a breach of contract or misrepresentation by the supplier (in this case T). Mr C says that Novuna should be held liable for various issues due to what T promised (and what he says wasn't delivered), and due to what he says was a misrepresentation by T's salesperson made prior to the contract.

A misrepresentation is a false statement of fact which has been relied on by a party to the contract. Here, from what I can see, Mr C knew the true facts of what was promised by T, including in regard to what he said the relevant salesperson said, before he agreed to the contract (and the finance agreement). However, I note Mr C said knowing the true facts he still went ahead with the contract with T. So, whilst I've taken into account Mr C's reasons for doing so, I can't reasonably, or fairly, say Novuna was incorrect in not accepting liability for a misrepresentation in this regard as Mr C didn't rely on the representation he said was untrue.

In respect of the issues which Mr C says amounts to breach of contract on the part of T, I can't see he has provided any persuasive evidence of a breach here. For example, whilst I appreciate Mr C is unhappy with anti-mould sealant not being used around the windows/doors, it doesn't appear this was part of his contract with T. And in terms of the damage Mr C says was caused by T's staff using incorrect materials, which T disputes, I think without an independent expert report, it's not possible to establish who is at fault here. In terms of the door colour, I can see Mr C agreed to a variation in the contract about the colour of the door. So, I can't say Novuna acted incorrectly when it said it wasn't liable to pay any compensation for this change.

Nonetheless, from what I can see, whilst not admitting any liability for breach of contract or misrepresentation, Novuna has offered Mr C £100 as a gesture of goodwill to assist with any repairs. I think this is fair given I don't think Novuna reached the wrong conclusion in terms of its liability under section 75. In respect of the way Novuna handled the claim, I note it has offered Mr C £250. Novuna said in its final response letter that the £250 it was offering was *in addition* to the £100 it had already offered. As the customer service failings which appear to be about delays and communication issues, didn't impact on the outcome of the claim, on balance, I think what it has offered is fair and reasonable.

For all these reasons, whilst I know this will be a disappointing outcome for Mr C, I won't be asking Novuna to pay anything more than it's already offered.

My final decision

Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance has already made an offer in its final response to pay Mr C a total of £350 to settle the complaint and I think this offer is fair in all the circumstances. So, my final decision is that, if it hasn't already done so, Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance should pay Mr C £350, making any deductions it needs to for any amounts it has already paid to him in respect of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 September 2025.

Yolande Mcleod
Ombudsman