

The complaint

Mr P complains about a claim he made to Mitsubishi HC Capital UK PLC trading as Novuna Consumer Finance ('NF').

What happened

The parties are familiar with the background details of this complaint – so I will briefly summarise them here. It reflects my role resolving disputes with minimum formality.

In August 2022 Mr P paid £4,600 for an installation of two windows and doors (front door and rear French doors) using fixed sum loan finance from NF.

Mr P says he had a lot of issues with the installation – particularly the doors. Amongst other things he said there was damage, a missing seal, misted glass, poor finishing and incorrect or wrongly fitted door handles. However, the main thing was the doors were extremely difficult to open and made it hard to quickly get in and out of the property which he said posed a fire risk.

Mr P says the supplier of the installation ('the supplier') did not fix everything properly despite several visits and missed appointments. He says it simply sprayed lubricant which only provided temporary or limited relief for the sticking doors.

Mr P contacted NF for help around October 2023 to raise a claim under Section 75 of the Consumer Credit Act 1974 ('Section 75').

NF arranged an independent inspection which was carried out on 15 December 2023 ('Report A'). It concluded the doors were not fitted correctly. In summary, it found that the French patio doors had dropped and were catching, while the front door had also dropped and was 'near impossible' to open by one person as the door frame is not in line.

NF liaised with the supplier and remedial work took place in May 2024. The supplier replaced the front door and slab, fitted replacement hinges to the French doors and repositioned the gasket.

Mr P said this sorted out the issues with the French doors to his satisfaction. However, he said he was still not happy with the front door. In summary, he says it doesn't sit flush in the frame, there are some marks and damage on the door trim and door handle and the overall finishing (like the sealant) around the door is not neat. He also said the supplier had damaged his home (floor and blinds) when carrying out repairs.

In June 2024 NF told Mr P that to reflect the dissatisfaction with the front door the supplier has offered for him to keep the door and receive a full refund of its cost (which it says is £1,290). NF said it will contribute £150 compensation on top of this. It thought this was a fair resolution to the claim. It noted there was not persuasive evidence the supplier had damaged Mr P's property.

Mr P is not happy with that and raised a complaint. In summary, he says he investigated

replacing the door and this is much more expensive than the amount offered by the supplier. He has produced quotes for doors from about £2,500 upwards to show this. In summary, Mr P thinks the supplier has undervalued the cost of replacing the door installation.

The complaint was escalated to this service and our investigator said that NF had answered the claim fairly. Mr P has asked for the matter to be considered by an ombudsman.

I issued a provisional finding on this case which said:

What I've provisionally 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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality.

I am sorry to hear about the issues Mr P has had with the supplier. He has mentioned how he lost faith in it – noting that it kept visiting and not fixing the issue properly – and cancelled appointments. However, it is worth noting here that my role isn't to look directly at the actions or service of the supplier and award compensation. I am looking at the role of NF as the finance provider, and what it would fairly be expected to do as a claims handler in light of its potential liability under Section 75.

I think it is also important to note that my decision in respect of NF's claim handling is about its liability under Section 75. This ultimately means that my award is binding against NF. So, it is NF that is liable for paying Mr P in accordance with my direction to the extent the supplier does not carry out equivalent redress. If NF is concerned about double recovery it can liaise with the supplier to ensure that does not occur.

Section 75 means that NF, in certain circumstances can be liable for a '*like claim*' for breach of contract or misrepresentation against a supplier of goods or services paid using its loan. Here, I am satisfied the technical requirements are met for a valid Section 75 claim against NF so I have gone on to consider breach of contract and/or misrepresentation – and NF's claims handling in light of this.

I don't think this is a claim for misrepresentation, so I am focusing on breach of contract.

The Consumer Rights Act 2015 is of particular relevance to this complaint. It says that under a contract to supply a service there is an implied term that the service will be carried out with reasonable 'skill and care'. Which is not precisely defined but is usually taken to be the level of skill and care that would be expected in that particular industry.

Furthermore, in respect of any goods, there is an implied term that "the quality of the goods is satisfactory". The Consumer Rights Act 2015 ('CRA from here') says the quality of goods are satisfactory if they meet the standard that a reasonable person would consider satisfactory taking into account any description of the goods, the price and all the other relevant circumstances.

I can see from Report A it is very clear the French doors and the front door were incorrectly fitted, and it made them difficult to open. I think it is clear this primarily would be a breach of the requirement to carry out a service with reasonable care and

skill. Therefore, I think NF was liable to provide a remedy for this to Mr P under the CRA.

It appears a repair had been attempted previously by the supplier, and I know that Mr P was not keen to have them back but eventually permitted a further attempt. I understand this resolved the issues with the French doors but not the front door.

I can see Mr P has provided photos of poorly finished mastic around the front door, and some cosmetic damage to the door and trim. He has also shown with a credible video that a corner of the door does not sit completely flush within the frame and is misaligned. From what I can tell the issues with the replacement door are not as extreme as with the first one (in that this one appears to open and close more easily) but the door is still not right.

Under the CRA 2015 remedies for breach of contract for services include repeat performance or a price reduction. Here, I think that Mr P should be given the opportunity to have the door replaced (effectively repeat performance) or keep the door and receive a price reduction.

It seems Mr P has explored having the front door replaced by an alternative supplier. However, the issue here is that the cost he has been quoted is more than the amount the supplier offered. I turn to a broadly fair remedy here.

I have considered whether it is necessary for Mr P to get the front door, doorframe and side panel replaced or just the door itself. But noting the history to date, I can't rule out issues with the door frame contributing to the ongoing fit/alignment problems. There also appear to be cosmetic issues impacting the door and the frame/trim. So I think in considering a fair remedy it is not unreasonable to allow Mr P to have the whole front door installation replaced if he wishes.

Mr P says the £1,290 attributed to the cost of the front door by the supplier is an undervalue. I have looked at the breakdown of the £4,600 install which the supplier initially gave to NF and this was as follows:

- French door (£1480) with 2 side panels (£260 each)
- Composite door (£1290) with 1 side panel (£270)
- 2 windows (£520 each)

Without credible information to show otherwise – I don't think that NF would have been acting unreasonably in accepting this breakdown and concluding that the likely total cost of the front door installation (by this I mean the side panel and frame too) was as the supplier had said (a total of £1,560). I think on the face of it the breakdown looks realistic and NF would have fairly thought it unlikely that the windows or the French doors would be a smaller part of the total cost than stated.

I note Mr P has provided what he says is a higher cost of fitting a new front door in 2022. However, what he provided isn't clearly from 2022 or comparing like for like and is a clipped screengrab from what looks like a search result summary with little context. So I don't think NF was acting unreasonably at the time by not placing a lot of weight on this information.

I accept prices have risen since Mr P had his front door installation fitted. And it wouldn't be fair for him to lose out as a result. After all, it is not his fault that things have got to this point, and the situation stems from the original breach of contract (and failure to remedy said breach) of the supplier.

Purely looking at this from an average inflation perspective (using the online Bank of England inflation calculator) from 2022 to July 2025 the £1,560 cost of the door installation is more like £1,800 now. However, this does not necessarily reflect the increase in a particular industry like construction. I note when NF sent the supplier Mr P's quote for £2,490 for a new front door, frame and side panel, it did not seem surprised and noted that this quote was explained by increasing costs.

However, it is also difficult to say the more expensive quotes Mr P has obtained, are simply a result of the cost of materials going up. There are naturally also differences in the quality and type of product offered by different suppliers that will influence this. I also need to factor in that although there has been impaired use of the door (particularly before the replacement in May 2024) Mr P has had use of the front door installation for several years now.

All things considered, and noting this is not a science I think it fair and reasonable that on production of an invoice confirming a replacement installation has been carried out NF pays Mr P £2,000 toward the cost of said new installation.

I know the supplier has offered Mr P £1,290 (which it says is the full cost of the door) as a price reduction and said Mr P can keep the goods. However, if Mr P is going to keep the installation, I think this offer is a disproportionate remedy and it would not be fair to bind NF to it. This isn't a science but if Mr P chooses to keep the installation as is I think a 20% refund of the £1,560 total front door installation cost is more appropriate. I say this because by keeping the installation Mr P will be acknowledging it is broadly functional and the other issues are largely cosmetic. Therefore, if Mr P decides he does not want to arrange a replacement he can inform NF who can arrange for the payment of £312 instead.

I know Mr P is very unhappy with the supplier's actions to date (including its lack of response and failure to turn up for appointments at times) and has asked for compensation for all the stress and trouble the installation has caused. I don't doubt the issue caused worry and annoyance, which I am sorry to hear about. However, it is worth underlining here that in respect of the actions of the supplier NF is only liable for a like claim for breach of contract or misrepresentation.

In the case of building work/home improvements – it is generally expected that there will be a level of disruption and inconvenience that comes with such a contract. However, where the level of disruption is so great as to cause physical discomfort then a court might make a modest award to reflect the distress and inconvenience that has occurred. However, this is not usual.

I am sorry to hear about how the door has impacted members of his family, noting he said his disabled partner was unable to open or close the door. However, as Mr P is the debtor here – the claim against NF is only in respect of the impact on him rather than discomfort of others. With that in mind, although Mr P had said to NF that the door required significant force for him to open and close (and the expert report reinforces this) I don't think this is likely to meet the level of physical discomfort (such as say prolonged exposure to damp or contaminants) a court would award for distress and inconvenience in respect of construction work that has gone wrong. So, I don't consider that in handling the claim NF acted unfairly by not making an award for further damages for the actions of the supplier.

For completeness I note Mr P also alleged the supplier had caused damage to his property. However, the supplier denied this and said Mr P hadn't reported anything to

it at the time. Based on this (and the possibility the damage could have been caused in other ways) I don't think NF was unreasonable in concluding that it wasn't liable for this allegation via Section 75.

General claims handling

I know Mr P is unhappy with NF's general handling of the claim. And thinks it should have done more. Looking at the correspondence and chain of events I think that overall NF did make a reasonable effort to try to assist. It commissioned an expert report and liaised with the supplier to try and get things resolved. It also can't fairly be held liable for delays the supplier caused prior to Mr P contacting it.

With that said I note Mr P raised his claim with NF in October 2023 and the repairs were not carried out until May 2024. I don't think that NF is completely to blame for that - for example the supplier visited in March 2024 but was not able to carry out the repairs it needed. However, I think NF could have had generally more urgency in moving things on at pace noting that when Mr P contacted it there were already clearly pressing concerns about fire safety due to the difficulty in quickly exiting the property via the troublesome doors. Because of this I think NF should pay Mr P compensation for unnecessary distress and inconvenience caused by avoidable delays in its claim handling.

I note here NF has already offered to pay £150 additional compensation. However, I think it should be more, noting that Mr P's concern about he and his family exiting the property in an emergency would have caused notable worry. Awards for distress and inconvenience are not a science but where matters have caused notable concern and gone on for a longer period – this will warrant a higher award. After considering the scale of awards on our website I consider an award of £250 is fair and reasonable. I note that any award I make is not in addition to any compensation already paid. So if NF has paid the £150 it offered this should be deducted from my compensation award.

My provisional decision

I uphold this complaint and direct Mitsubishi HC Capital UK PLC trading as Novuna Consumer Finance to:

- On receipt of an invoice confirming a replacement of the front door installation arrange payment to Mr P of £2,000; or
- on receipt of confirmation that Mr P would like to keep the current installation instead arrange payment of £312 (representing a 20% price reduction).

In addition to one of the remedies above NF should pay Mr P:

- 8% simple yearly interest on any refund from the date it gave Mr P its original claim outcome to the date of settlement; and
- £250 compensation for distress and inconvenience caused by its claims handling.

If NF considers it should deduct tax from the interest element of my award it should provide Mr P with a certificate of tax deduction.

NF responded to say:

1. In relation to the option to pay £2,000 upon receipt of an invoice confirming a

replacement had been fitted – it was unable to see the quotes referenced. It considers it would be reasonable for Mr P to provide at least two quotes.

2. It would be grateful if I could confirm why it would be expected to cover this cost when it has already offered to refund the cost of the door for a total of £1,290. It understands goods can go up in price but under Section 75 it is only required to put the customer back in the position he would have been in had he not entered the agreement.

Mr P responded to make some additional comments. Including that the replacement door is worse than the original (it was not in its plastic covering, was severely marked and appeared to be old stock) and no new frame has been fitted.

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.

Neither party has given me cause to change my provisional findings – which I still consider fair for the reasons already given (above). These findings now form my final decision alongside the points below:

I will deal with NF's two questions in respect of how I have numbered these above, as follows:

1. Mr P has produced two quotes for replacement front door and frame installation. One is for £2,490 and one is for £3,100. I believe NF has seen at least the first of these as it passed it on to the supplier. Our investigator can provide a copy of these to NF if it requests. However, my redress isn't based on these exact figures so I don't see why this is crucial. And I don't think it is necessary for Mr P to get any further quotes. The quotes simply illustrate that Mr P could not find a door and frame as cheaply as the supplier offered originally. I have explained that this can partly be put down to rising prices. But I have already noted the following in my provisional findings as to why I am not awarding Mr P the full amount of either of these quotes (should he choose a replacement option instead of partial refund) as follows:

However, it is also difficult to say the more expensive quotes Mr P has obtained, are simply a result of the cost of materials going up. There are naturally also differences in the quality and type of product offered by different suppliers that will influence this. I also need to factor in that although there has been impaired use of the door (particularly before the replacement in May 2024) Mr P has had use of the front door installation for several years now.

2. I am aware of the supplier's original offer to refund the cost of the door for £1,290. However, it is important that NF note my redress does not align with this for several reasons which I have covered in my provisional findings. In summary, I do not agree it is proportionate for Mr P to be able to keep the door and receive a full refund for it too. Which is what the original offer entailed. This is why, if Mr P chooses to keep the installation I require NF to pay a 20% price reduction of the door and frame costing instead. However, I have also fairly offered Mr P the option to have the door and frame replaced entirely as an alternative. I have already explained why it is fair that Mr P get £2,000 toward this cost if he chooses this route – based on the reasonable price inflation on the supplier's costing of £1,560 for the door and frame (but also tempered by the factors I have already explained). I also do not agree that Section 75 limits damages to the cost of the contract only – an action for breach of contract can include damages for consequential loss as well.

I note Mr P has made further comments, however, they broadly repeat what I already had considered. I note Mr P has said the new door is actually worse than the old one and has severe marking. I don't think there has been persuasive evidence presented to NF of this when it handled the claim. I would not characterise the cosmetic condition of either the door or frame I have seen to be severe damage either. So if Mr P chooses to keep the installation as is (rather than have the frame and door replaced) I still think that a 20% price reduction is fair.

I now leave it to Mr P to decide if he wants to accept my decision. If he does he should inform NF what option he wants to go with.

Putting things right

See below. Note as I have said before, if NF has already paid Mr P £150 compensation it can deduct this from my compensation award below. Furthermore, my reference to the door installation (I repeat) includes the front door and frame.

My final decision

I uphold this complaint and direct Mitsubishi HC Capital UK PLC trading as Novuna Consumer Finance to:

- On receipt of an invoice confirming a replacement of the front door installation arrange payment to Mr P of £2,000; or
- on receipt of confirmation that Mr P would like to keep the current installation instead arrange payment of £312 (representing a 20% price reduction).

In addition to one of the remedies above NF should pay Mr P:

- 8% simple yearly interest on any refund from the date it gave Mr P its original claim outcome to the date of settlement; and
- £250 compensation for distress and inconvenience caused by its claims handling.

If NF considers it should deduct tax from the interest element of my award it should provide Mr P with a certificate of tax deduction.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 23 October 2025.

Mark Lancod
Ombudsman