

The complaint

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

What happened

The background to this complaint is well known by both parties, so I'll only summarise it here.

In July 2024, Mr N purchased a kitchen from a retailer I'll refer to as 'H' partly paid for using a fixed term loan provided by Novuna. The fitting wasn't part of the purchase and was arranged separately by Mr N. H has since ceased trading. On delivery Mr N complained about two broken cabinets and initially agreed with H that it would provide replacements. However, when the replacements were delivered Mr N rejected this as it didn't include the doors. H said that as the doors weren't damaged it wouldn't agree to replace these. It did, however, offer Mr N £100 for any inconvenience caused.

Mr N also complained about a worktop that he said was different from the sample he was shown prior to the sale. H said that as the worktop was natural stone there would be variations such as to the colour and patterns. As a goodwill gesture, H provided Mr N with replacement windowsills so that these would better match the worktop.

Mr N remained unhappy so raised a claim under section 75 of the Consumer Credit Act 1974 for breach of contract against Novuna. Novuna agreed to honour the £100 already offered to Mr N by H but said it couldn't offer more than this as the cost of the cabinets weren't known. It also said that Mr N would've been told the worktop may have variations from the sample. Mr N remained unhappy so referred a complaint to our service. Our investigator didn't recommend upholding the complaint, so the matter was passed to me for a decision. I issued a provisional decision saying, in brief, that I thought what Novuna had offered by way of resolution, was fair and reasonable.

Mr N disagreed with my provisional findings. Amongst other things, he said: the cabinet doors were damaged; the £100 offered by Novuna doesn't reflect the real loss he's suffered; he had to accept and fit the damaged units to make the kitchen usable; under the Consumer Rights Act 2015, he is entitled to a full refund or appropriate price reduction; the worktop didn't match the sample shown in the showroom and he wasn't provided with the manufacturer's guidance about this; Novuna's investigation was incomplete and one-sided; and Novuna's customer service was poor.

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 want to start by saying I'm sorry to hear about Mr N's ill health which he says he has suffered as a result of the matters that have given rise to this complaint. I want to reassure him that I've fully reconsidered everything taking into account the further submissions he's made in

response to my provisional decision. However, having done so, I remain of the view that Novuna has acted fairly in the way it handled his claim under section 75 of the Consumer Credit Act 1974 ('section 75'). Before I set out my reasoning, I'll say here that although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. This simply reflects the informal nature of our Service. Further, where the information is incomplete or contradictory, I've based my decision on what I think is more likely to have happened in light of the available evidence.

Under section 75 the financial business who provided the finance can be held jointly liable for breach of contract or misrepresentation. I'm satisfied the conditions for bringing a section 75 claim have been met in this case, so I'll go on to assess how Novuna handled Mr N's claim. In doing so, I've taken into account all relevant law and regulations including the implied contract terms (satisfactory quality, goods to match a sample etc.) under the Consumer Rights Act 2015 (the 'CRA').

In terms of the worktop, I can see from photo's supplied by Mr N that there are some variations between the sample and the worktop supplied by H. Mr N maintains he wasn't warned about these variations. But I note he did still have this worktop fitted having had a chance to examine the item prior to the fitting. And H provided him with additional windowsills to ensure these matched the worktop which he did accept. Novuna has said H's kitchen designer would've told Mr N about these natural variations. This was in line with the manufacturer's guidance on this which I understand would've been sent to Mr N when his order was confirmed.

Under the CRA (section 13(2)(a)), it says that any goods will match the sample except to the extent that any differences between the sample and the goods supplied are brought to the consumer's attention. I note Mr N says he didn't receive anything from the manufacturer. But even if I were to accept this was the case, as noted above, I think it's likely that this would've been explained to him by the kitchen designer. Given Mr N did accept the worktop and had it fitted after having had a chance to examine it, I think it's more likely than not that this issue would've been drawn to his attention prior to the sale. I note Mr N was sent new windowsills to ensure everything matched correctly which he did accept. So, whilst I've noted Mr N's further submissions about this issue, I can't fairly or reasonably say Novuna has acted incorrectly for not accepting liability in this regard.

In respect of the two cabinets (referred to as a 'carcasses' in some communications) I note that H did agree to provide Mr N with replacements but because it didn't provide the doors, Mr N rejected the replacements. However, from what I can see Mr N hasn't been able to provide sufficient evidence to show that there was any damage to the doors themselves so I can't say Novuna was wrong to conclude H didn't need to replace these. As Novuna has said any issues with the fitting such as the hinges, wouldn't be the responsibility of H (and by extension Novuna) because Mr N had arranged his own fitters. Mr N maintains the doors were damaged on arrival but I don't think he's presented persuasive evidence of this as part of his claim.

H did offer Mr N £100 in relation to the damaged cabinets. It seems initially this was compensation for the inconvenience of having to have them replaced but when Mr N rejected the replacements this offer was to keep the damaged cabinets – which I understand had been fitted – and was to be treated as a price reduction. Mr N maintains this isn't enough compensation. But he hasn't been able to provide any evidence to show that this price reduction doesn't fairly and reasonably compensate him. This is particularly in light of the fact he has kept the cabinets and had them fitted. So, without a more detailed breakdown of the cost of the cabinets being available – which Mr N hasn't to date provided as part of his claim – I can't reasonably or fairly say Novuna is acting incorrectly here. So, I'm not intending to ask it to do any more than to pay Mr N £100 in compensation.

As Novuna noted to Mr N whilst there may have been some poor service issues by H, it can't

be held liable for these issues. Under section 75 whilst Novuna can be held liable for breach of contract, this wouldn't include service issues caused by H. I've taken on board what Mr N has said about Novuna's customer service but the issues he refers to seem to be about the outcome of the claim itself rather than Novuna acting incorrectly in terms of the customer service it provided. Overall, I'm still of the view that Novuna has acted fairly and reasonably in the way that it assessed Mr N's section 75 claim. So, for all these reasons, and whilst I know this will remain a disappointing outcome for Mr N, I'm not intending to ask Novuna to pay him anything more.

My final decision

My final decision is that Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance should pay Mr N £100 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 5 December 2025.

Yolande Mcleod
Ombudsman