

The complaint

Mrs S complains Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance unfairly declined her Section 75 claim.

Mrs S is represented in bringing this complaint by her son. For ease, I'll refer to all interactions as being from Mrs S.

What happened

The background to this complaint is well known to both parties, so I won't repeat it at length here. As a summary, in November 2024, Mrs S purchased a new boiler from a company I'll call "B", which was financed through a personal loan with Novuna.

Mrs S says before buying the boiler she had conversations about where it would be installed in her home and the importance of there being no noise disturbance in the bedroom. Mrs S says she was reassured by the representative of B, that the boiler was 'ultra quiet', and the installer would make sure noise wasn't an issue. On this basis, Mrs S says she agreed to purchase the boiler.

Following installation of the boiler, Mrs S says it made a significant noise which could be heard from her bedroom. B investigated the matter but didn't agree it had done anything wrong. It said the boiler was performing as expected, and certain noises may be as a result of the fabric of the property. B didn't agree it was liable to cover any soundproofing costs, however offered £100 towards this, as a gesture of goodwill.

Unhappy with B's response, Mrs S raised a claim under Section 75 of The Consumer Credit Act 1974 ("Section 75") to Novuna, on the basis B misrepresented that the boiler wouldn't be of a disturbance.

Novuna doesn't agree it's liable to provide a remedy under Section 75, as it doesn't consider B made a misrepresentation. While it understands Mrs S has looked to soundproof the boiler, it doesn't agree this is due to an error made by B. Novuna's position on the Section 75 claim didn't change when Mrs S complained, it did however credit her account with £100 to apologise for the service it had provided in considering her claim.

Unhappy with Novuna's response, Mrs S referred her concerns to The Financial Ombudsman. I previously issued my provisional findings on Mrs S' complaint, which I've included below:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

Section 75 sets out that, in certain circumstances, if Mrs S paid for goods or services, in part or wholly via credit with Novuna, and there was a breach of contract or misrepresentation by the supplier (B), Novuna can be held jointly responsible.

There are conditions that need to be met for Section 75 to apply. One of these is that there needs to be a 'debtor-creditor-supplier' (DCS) agreement in place between the parties to the transaction. Another is that the item purchased must fall within set financial limits. I'm satisfied Mrs S' claim, meets these requirements.

I've therefore gone on to consider whether Novuna was reasonable in declining Mrs S' Section 75 claim.

Has there been a misrepresentation or breach of contract?

Misrepresentation

In the circumstances of this complaint, to say there'd been a misrepresentation, I'd need to be satisfied a false statement of fact induced Mrs S into the contract which led her to suffer a loss.

Our Investigator considered it was likely that B may have provided a false statement, however she didn't consider this had induced Mrs S to enter the contract. It's clear from the testimony Mrs S has provided that the boiler being quiet was a key consideration and I have no reason to doubt this was discussed at length.

However, I have limited evidence to conclusively say a false statement was made by B. Which is to say I don't have clear evidence that a representative of B made a statement that they knew to be false, so as to persuade Mrs S to enter the contract.

In considering whether there's sufficient evidence of a misrepresentation, I must think about what the courts may say, were Mrs S to make a 'like claim' against Novuna. In the circumstances, I don't think the evidence demonstrates that B did make a misrepresentation, to mean Novuna was then liable to provide a remedy under Section 75.

However, even were I to accept there had been a misrepresentation, I'd then have to consider what Mrs S is most likely to have done had this not occurred.

At the time of entering the contract, Mrs S' previous boiler had stopped working and it was the start of winter. So, I'm satisfied Mrs S would have gone ahead with purchasing a boiler at that time.

In the circumstances, I find it more likely than not that Mrs S would have proceeded to enter the contract she now complains about. I say this as B is a well-established provider of boilers, and Mrs S chose an 'ultra quiet' model.

I haven't been provided any evidence to suggest another supplier could have provided a quieter boiler. Added to this B had explained it couldn't refit the boiler where the old one had been due to a change in regulations. It appears the noise Mrs S hears is due to where the boiler is now fitted, but again I haven't been provided clear evidence Mrs S would have installed the boiler elsewhere had she known there was a risk it could make a sound. I would note that if the boiler was installed in another part of the house, this would have likely incurred significant additional costs for plumbing.

Rather had Mrs S known that there could be noise, she may have opted to pay for additional soundproofing. However, this wouldn't then have ever been a cost B was liable for covering.

So even were I to find B had made a false statement, it's unlikely I'd conclude this had resulted in a loss.

So, on this basis, I think Novuna was reasonable in concluding there wasn't sufficient evidence it was liable to provide a remedy for a misrepresentation.

Breach of contract

A breach of contract occurs if there's a problem with the goods, such as the boiler isn't of a satisfactory quality or the installation isn't carried out with reasonable care or skill. While I appreciate Mrs S is unhappy that there is a sound when the boiler is on, I haven't been provided any evidence to suggest this is due to a fault with the boiler or the way it's been installed. Rather it appears this is due to where the boiler had to be installed, meaning the surrounding materials of the home create a sound.

Therefore, I don't think there's evidence that a breach of contract occurred, to mean Novuna is liable to provide a remedy.

As a result, based on the evidence available, I think Novuna was reasonable in concluding it wasn't liable to provide a remedy under Section 75, as there isn't evidence that a misrepresentation or breach of contract occurred.

I note Mrs S is also unhappy that B asked her to obtain quotes for soundproofing and then didn't agree to cover these. However, as I don't find there's evidence of a misrepresentation or breach of contract, while I appreciate this would be disappointing to Mrs S, I don't then find it's a point Novuna is responsible for.

Customer service

Moving then to the service Novuna provided when considering Mrs S' claim. It's accepted that the service it provided should have been better and has offered £100 to apologise for this.

I appreciate Mrs S is overall unhappy with the boiler, however for the reasons I've explained above, I don't find Novuna is liable for this. Therefore, considering the service provided, I do find its offer of £100 to be reasonable.

Our Investigator also recommended Novuna pay Mrs S a further £100 in recognition of B's offer of £100 as a gesture of goodwill towards any insulation costs. However, as I think Novuna is reasonable in concluding it isn't liable under Section 75, I don't then find that it must pay this. Rather, if this hasn't already been paid by B and Mrs S wishes to accept this offer, she should contact B directly about this.

Conclusion

While I appreciate this answer will likely come as a disappointment to Mrs S, based on the information I've reviewed, I currently find Novuna gave fair consideration to her Section 75 claim and has offered fair compensation in acknowledgement of the service it provided. I don't therefore intend to direct Novuna to do anything further in relation to this complaint.

The deadline for parties to respond to my provisional findings has now passed, so the complaint has been passed back to me to decide.

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.

Novuna confirmed it accept my provisional findings. I didn't receive a response from Mrs S by the deadline set. As neither party provided any further comments or evidence in response to my findings above, I see no reason to reach a different outcome.

Therefore, my provisional findings set out above, now form my final decision on this complaint. While I appreciate this answer may come as a disappointment to Mrs S, I think Novuna considered her claim under Section 75 and its response was reasonable.

I therefore don't find Novuna must do more in relation to the Section 75 claim. I also find Novuna's offer of compensation reasonable, so don't find it must pay anything further.

My final decision

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 28 April 2026.

Christopher Convery
Ombudsman