

The complaint

Mr H is unhappy Mitsubishi HC Capital UK PLC trading as Novuna Personal Finance (“Novuna”) hasn’t given him a refund for goods purchased with a fixed sum loan agreement.

What happened

Mr H bought a pair of hearing aids from a retailer in August 2024. The hearing aids had a cash price of around £3,350 and Mr H took out a fixed sum loan agreement from Novuna to cover £3,000 of the cost.

Mr H returned to the retailer over the following months as he said he was having problems with the hearing aids. The retailer provided its records of Mr H’s appointments:

- In November 2024, Mr H reported reduced hearing levels. The retailer found both filters were blocked and showed Mr H how to clean them.
- In December 2024 Mr H returned to the retailer as he said he had poor sound quality and scratching sounds. The retailer said the filter in the right hearing aid was blocked again and changed it. The left hearing aid was found to have blocked microphone ports, which were also cleared.
- In March 2025, Mr H returned to the retailer with further issues using the hearing aids. The retailer said the microphones were blocked again, and sent the hearing aids off for servicing. When they returned, the retailer recalibrated them.
- In June 2025, Mr H reported whistling sounds and feedback from the hearing aids. The retailer tested the hearing aids but didn’t find a fault with them. It said it explained the noises could be caused by positioning, blockages or over-amplification, which were all manageable. The retailer said it explained the importance of storing the devices correctly and offered to recalibrate the hearing aids, but Mr H declined.

Mr H complained to the retailer and asked for a refund. The retailer said it hadn’t found any faults with the hearing aids during any of the appointments, but it had sent the devices for servicing as a precaution when the microphones were blocked.

Mr H then complained to Novuna, asking for a refund under Section 75 of the Consumer Credit Act 1974 (S75 CCA). Novuna didn’t agree to refund Mr H, noting the retailer had offered to assess the hearing aids again. It asked Mr H to provide an independent report if he thought the hearing aids were faulty. Mr H complained about the outcome, but as Novuna didn’t change its findings, he brought the complaint to our service.

Our Investigator didn’t think Novuna had unfairly rejected Mr H’s S75 CCA claim. He said there wasn’t evidence to support that the hearing aids were faulty, as the retailer had explained the issues Mr H had reported were caused by maintenance problems.

Mr H asked a third-party audiologist to inspect his hearing aids and provide a report. The third-party said they had seen Mr H as a courtesy and they didn't think the problems he was experiencing were down to the hearing aid not working. Instead, they said the receivers were low powered and could be causing feedback, but this was something the retailer could correct for Mr H.

In addition, they said the retailer could retest Mr H's hearing and reprogram the hearing aids to resolve things. The third-party also noted there was damage to the left hearing aid's receiver and no filter was attached – something that hadn't been noted in any of the visits to the retailer.

Our Investigator shared the report with Novuna, who sent it to the retailer. The retailer said the report didn't demonstrate the hearing aids were faulty, but it offered to complete the steps the third-party had said might resolve the issues Mr H was reporting.

Mr H didn't agree to allow the retailer another chance to look at the hearing aids. He said the retailer had already had multiple attempts to repair the hearing aids and failed. Our Investigator reviewed his findings and said he thought the new report hadn't provided enough evidence to show the hearing aids were faulty when the retailer supplied them. He said the damage to the left hearing aid's receiver was new, and no one had confirmed how this had happened. So, he didn't think Novuna needed to refund Mr H.

Mr H didn't agree and asked for a final decision on the complaint. And so the complaint has been passed to me.

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.

Having done so, I agree with the outcome reached by the Investigator – and I'll explain why.

Where the evidence available to me is incomplete or inconclusive (as some of it is here), I've reached my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Novuna is a different business to the retailer, so I can't hold it responsible for everything that may have gone wrong. Instead, S75 CCA allows a borrower under a credit agreement to make a like claim against the credit provider if there's either a breach of contract or misrepresentation by the supplier of the goods. There are certain conditions to be met for a valid claim to be considered, and I think they've been met here.

The Consumer Rights Act 2015 is also relevant here. It implies terms into the contract setting out that, amongst other things, goods must be of satisfactory quality and as described.

I sympathise with Mr H's situation, as he's paid a lot of money for hearing aids and expects them to work fully. So I can appreciate it might be frustrating to have problems with them after all this time.

For a claim under S75 CCA to be successful, it isn't enough to see that there is a problem with the hearing aids. Instead, there has to also be evidence to show that the problem is caused by an inherent fault or defect that was present, or developing, when the goods were supplied – particularly because so much time has now passed since the sale. This means Mr H not only has to show that the hearing aids are faulty, but also that the fault was caused by something wrong with them when the retailer supplied them to him in August 2024.

I'm mindful that hearing aids are complicated and delicate devices for medical use and have parts that are serviceable and replaceable. So I think it's important I rely on the opinions of the two experts who have inspected them: the retailer, and the third-party audiologist.

Mr H provided the report from the third-party after Novuna considered his complaint. But, Novuna has now had the chance to comment on the report and pass it to the retailer for its comments too. So, I think it's fair for me to consider this as a continuation of the original complaint, and comment on the report as part of my decision.

So, I've looked carefully at the evidence provided by both experts, to see if either expert has found evidence of a problem with the hearing aids that could mean they weren't of satisfactory quality.

Novuna says the problems Mr H experienced were caused by maintenance issues or usage – and the retailer could resolve the issues with cleaning or small adjustments. I don't think Novuna has made an unreasonable conclusion, because the retailer's records say they didn't find a fault with the hearing aids during any of the appointments with Mr H.

The only time a repair was mentioned was during the appointment in March 2025. The retailer says it sent the hearing aids away for a repair, but it later told Novuna this was a precautionary service after it unblocked the microphones. There isn't any further information to tell me exactly what happened here, so I don't think it's unreasonable for Novuna to say there wasn't a fault found at this appointment either.

The third-party audiologist gave a short summary of their findings after inspecting the hearing aids. They noted in particular: "*Both receivers low powered so advised this could be the reason for feedback... the correct length and power receiver to fit would be ideal*". The third-party summarises their findings by saying "*This is something that could have been corrected by [the retailer] and is not down to the hearing aid not working itself.*"

I've looked online and on the retailer's website to understand what parts of the hearing aids the report refers to. My understanding is that the strength and length of the receiver on a hearing aid can be changed to match the person wearing them and their needs. The receiver goes inside the ear, so suffers from wear and tear and is a part that can be replaced as part of the aftercare provided for the hearing aids. Similarly, the hearing aids use disposable filters which need to be checked and replaced regularly, and there are a lot of environmental factors that can affect how well they work.

Novuna says the third-party hasn't identified a fault that was present when the hearing aids were supplied, and I don't think it's reached an unfair conclusion here. I say this because I think the third-party has come to similar conclusions to the retailer: the issues Mr H is describing can be resolved by adjusting the hearing aids or swapping out replaceable parts for different options. Neither expert has found the hearing aids weren't fit for purpose either. Both experts have also stressed that it's important the hearing aids are maintained correctly and stored in a safe and secure way, to avoid damaging the parts.

The only part of the hearing aid the third-party says needs to be repaired is the left receiver, which it reported as broken. However, Mr H hasn't reported a broken part to the retailer before, and no damage was found in his appointments. I'm also mindful that, as I've said above, the receiver is a replaceable part of the hearing aid with a limited lifespan, and considerable time has passed since supply.

Novuna says the retailer is willing to inspect the receiver and replace the receiver if it is found to be broken during an aftercare appointment, and I don't think this is unreasonable. However, if the receiver is broken, I don't think this necessarily means there was an inherent fault with it, given the replaceable nature of this part of the hearing aid.

I understand Mr H doesn't want to return to the retailer again and he feels strongly that the hearing aids are faulty. However, I don't think Novuna has treated him unfairly by declining his claim for a refund, based on the available evidence. So, I won't be asking Novuna to do anything further to resolve Mr H's complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 May 2026.

Hannah Dunkley
Ombudsman