

## **The complaint**

Mr S complains that Mitsubishi HC Capital UK PLC, trading as Novuna Consumer Finance (“Novuna”) were unreasonable to turn down his credit application.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead, I’ll focus on giving my reasons for my 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.

I understand, and don’t doubt, that Mr S has a good credit score. I can also understand it would have been frustrating not to have been accepted for the credit he applied for, but I don’t think Novuna have been unreasonable. I’ll explain.

The Standards of Lending Practice set out by the Lending Standards Board says:

*“PS4. If the customer’s application is declined firms should, where possible, inform the customer of the main reason for this.”*

Novuna explained to Mr S that their main reason for rejecting his credit application was that he hadn’t met their lending criteria. I would not expect them to share details of how this score is generated as that’s sensitive information that could be used by consumers to manipulate their credit applications. So, I think Novuna have done what was required of them; they’ve provided the main reason for the decline.

Novuna have, however, shared with this Service the reason why the application was declined. I’m not able to share it with Mr S but I’m persuaded it was objectively justifiable and not unreasonable.

I’m not, therefore, upholding his complaint.

## **My final decision**

For the reasons I’ve given above, I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 2 October 2024.

Phillip McMahon  
**Ombudsman**