

The complaint

Mr B complains that Moneybarn No. 1 Limited, trading as Moneybarn, have charged him for storage of a car he was financing with them.

What happened

Mr B has been financing a car through an agreement with Moneybarn. In January 2024, the car was taken to the dealership so that they could review faults Mr B was complaining about. No faults were found but Mr B didn't collect the car. Instead, in March 2024, he decided to voluntarily terminate his agreement with Moneybarn. Moneybarn subsequently sent him a bill for storage costs of about £2,000.

Mr B says they were unreasonable to do that. He says that in January 2024 during a call with Moneybarn he was told he wouldn't be charged any storage costs.

When Mr B referred his complaint to this service our investigator didn't think Moneybarn had been unreasonable. Mr B disagreed and he asked for a final decision by an ombudsman.

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 know it will disappoint Mr B, but I'm not upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr B acquired his car under a regulated consumer credit agreement and as a result our service is able to look into complaints about it.

I have not seen any evidence to corroborate Mr B's assertion he was told he wouldn't be charged storage fees. Moneybarn have been unable to supply copies of the call Mr B had when he said he was told there would be no storage costs applied. They have, however, provided copies of their system notes. There's no record of that conversation in those notes and, on balance, I don't think it would be fair for me to conclude on that evidence that Mr B had been told no storage charges would be applied.

The terms and conditions of Mr B's agreement explained that on termination Moneybarn could recover storage charges. But I can't see that they reminded Mr B of that clause while the car was at the dealership, and I haven't seen evidence to suggest the storage rate was discussed.

I've thought about whether it was fair for Moneybarn to pass on the storage charge, and I think it was. I think it's likely that the dealership would have wanted to receive payment for storage before they released the vehicle so that Moneybarn could sell it at auction and apply the proceeds towards the account balance. To delay the collection, would have delayed that process, and would have been likely to decrease the amount achievable at auction. I don't, therefore, think Moneybarn were unreasonable to settle the storage fees and collect the car. It was Mr B's decision to leave the car with the dealership after it had been assessed as having no faults and it would be unfair to hold Moneybarn accountable for the storage fees that ensued; they were, after all, entitled through the terms of the contract, to recover those fees.

If Mr B wasn't informed of the scale of the fees, he may well have a complaint he can raise to the dealership who levied that charge. But I'm not persuaded Moneybarn have been unreasonable to pass them on to Mr B and I'm not asking them to take any further action.

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 B to accept or reject my decision before 20 December 2024.

Phillip McMahon
Ombudsman