

The complaint

Miss S complains that PayPal (Europe) Sarl et Cie SCA hasn't refunded her for an item she returned to a seller, after she raised a claim under its Buyer Protection scheme.

What happened

Miss S bought an item of clothing from a company using a PayPal account. The item was too small, but the seller refused to exchange it. So, Miss S raised a claim under PayPal's Buyer Protection scheme. PayPal agreed to refund Miss S if she sent the item back and provided it with tracking details. Miss S says she did this within the timescale PayPal had specified.

Miss S says the seller confirmed they had received the item and agreed to replace it. They later said that they wouldn't send the replacement unless Miss S paid £85. Miss S got back in touch with PayPal who told her that it didn't have the tracking information. Miss S says that after searching for the tracking information she found that the PayPal adviser had entered the characters incorrectly. She says she spent a lot of time trying to resolve the matter over the phone.

PayPal then said it wasn't able to decide the Buyer Protection claim in her favour because she didn't provide the return tracking information to it within the requested timeframe. It said it had sent the seller an email asking them to fully refund her because the tracking information showed Miss S had returned the item in the requested timeframe.

Miss S raised a complaint with PayPal. She said she did provide the tracking information in time, but the PayPal adviser had taken down some of the characters incorrectly. The seller had confirmed receipt of the returned item but was now rejecting all forms of communication and would not give her a refund.

PayPal's response to Miss S's complaint didn't address her concerns. Miss S says she called PayPal many more times since and had to give each person an extensive and detailed account of the situation, but she still hadn't received the refund. She asked our service to consider her complaint.

PayPal told us that it hadn't issued the refund because the tracking information didn't show confirmed delivery to the seller's address. It said that as Miss S had paid for the item as a guest user, it didn't have any contact notes or call recordings available.

Our investigator looked into Miss S's concerns and thought her complaint should be upheld. He acknowledged that the tracking information was confusing and suggested the item hadn't been delivered. But he felt there was overwhelming evidence showing the item was delivered to the seller. He didn't think it was fair or reasonable for PayPal to have ignored this. He recommended PayPal refund Miss S the cost of the item (£249.99) and pay her an additional £100 for trouble and upset.

PayPal disagreed with our investigator's view, but later made an offer to pay Miss S £250. Miss S said she was glad PayPal had finally agreed to pay the refund. But she didn't think

that was enough to put things right for her, given the distress and inconvenience she'd experienced. So, the complaint has been passed 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.

Having done so, I've reached broadly the same conclusions as our investigator. I'll explain why.

PayPal's user agreement says that, in certain circumstances, a buyer who pays using a PayPal account may be entitled to *"reimbursement of the full purchase price of the item plus the original shipping costs (they) paid if any"*.

From what I can see, PayPal agreed to refund the amount Miss S had paid for the item if she returned it to the seller within a specified timeframe. It said she needed to *"initiate the return shipment and upload the tracking information to the Resolution Centre before 18 July 2021"*.

Miss S has sent us a copy of an email PayPal sent to her on 23 August 2021 which says: *"We were unable to decide this claim in your favour because you didn't provide the return tracking information to us within the requested timeframe"*.

But PayPal has since told our service that this wasn't the reason Miss S's Buyer Protection claim was declined. It says it had the correct tracking number from Miss S, but the claim was declined because she was unable to provide proof of return delivery to the seller's address.

PayPal has provided a screenshot of information relating to the tracking number Miss S provided. This is showing as *"despatched"* and says: *"we have your parcel and it is on its way"*. But beneath that it's showing as *"delivered"* on 15 July 2021 and *"collected"* on 19 July 2021. The location it was *"collected"* from is close to where Miss S lives. The *"delivered"* location is closer to seller's place of business.

I can see why the tracking information on the courier's website might have given PayPal the impression that the item hadn't been delivered to the seller. But Miss S has shown us that she passed on a message from the courier to PayPal which explain why the *"collected"* date was after the *"delivered"* date on the tracking information. The courier said that this was due to a late scan. The message also confirmed that the item had been recorded as delivered to the seller's address on 15 July 2021.

Miss S has also provided us with a copy of an email she sent to PayPal on 27 August 2021 with supporting evidence to show that the item was successfully returned to the seller. This includes a proof of delivery notification from the courier showing that the item was delivered on 15 July 2021. The *"delivery address"* is the seller's address and *"name of receiver"* is one of the company's directors.

Another email Miss S sent to PayPal includes screenshots of messages between her and the seller on 17 July 2021, where the seller confirms they'd received the item of clothing. I don't think PayPal gave proper consideration to the evidence Miss S had provided to show that the item had been successfully delivered to the seller. So, I think it would be fair for PayPal to reimburse her for the £249.99 she paid for it.

PayPal says it isn't able to provide us with any contact notes or call recordings. But I'm persuaded by what Miss S has told us about the difficulties she had trying to get PayPal to agree to the refund. Miss S says she'd had more than 40 phone conversations with PayPal

which lasted over 25 minutes and had resulted in stress, tears and anxiety. She'd been told completely different things every time and had sent numerous emails with no response. She says the item was a birthday present for her young son, and she wasn't able to get him another one without the refund. This was no doubt very upsetting for her. So, I think it would be fair for PayPal to pay Miss S an additional £100 for trouble and upset she experienced.

Putting things right

PayPal should pay Miss S a total of £349.99 (£249.99 for the cost of the item plus £100 for trouble and upset).

My final decision

For the reasons I've explained, I uphold Miss S's complaint and direct PayPal (Europe) Sarl et Cie SCA to put things right by doing as I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 8 April 2022.

Anne Muscroft
Ombudsman