

The complaint

Mr B complains about PayPal (Europe) Sarl et Cie SCA ("PayPal") for issues he experienced in updating his address through its platform. He wants PayPal to make changes to its system and information, and to apologise to him.

What happened

Mr B had a PayPal account.

He opened a PayPal Credit account, which he accessed through his main PayPal account. It appeared to him to be a subsidiary service.

In late 2020, Mr B moved home. In November 2020 he updated his home address on the main PayPal account. He says that he searched for how to update his address, and used the option which was shown.

This updated Mr B's main PayPal address, but did not update his PayPal Credit address.

PayPal Credit then sent a paper statement out to Mr B and this was received by the new occupiers of Mr B's former address.

Mr B learned that his statement had been sent out and he was embarrassed.

He contacted PayPal, and PayPal was able to update Mr B's PayPal Credit address immediately.

Mr B complained to PayPal. He felt that the platform had been unclear and that this had led to a breach of his data. He fears that his data could be misused.

PayPal responded to the complaint in June 2021. It said that PayPal and PayPal Credit are separate entities and consumers need to update their addresses in both accounts.

Mr B was not happy with this and contacted us.

PayPal has subsequently offered Mr B £100 compensation for his distress and inconvenience.

One of our investigators has looked into this matter and set out their view to the parties. This was that PayPal Credit had acted in line with its terms in sending the statement to the address registered with PayPal Credit and that PayPal acted reasonably in updating Mr B's address when he contacted PayPal in November 2020. He therefore thought that PayPal did not need to do anything further.

Mr B did not accept that view and asked for an ombudsman decision.

I have set out a preliminary view to both parties by email. In that view I explained that I consider that the complaint ought to be upheld, but that I thought that PayPal's offer of compensation was appropriate to the distress and inconvenience suffered by Mr B. I asked

both parties for their comments before I reached a final decision.

Neither party has responded to my preliminary view or provided any other information.

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.

Based on what I have seen, I think that PayPal has made mistakes in this case. This is because it appears that there is one login for PayPal and PayPal Credit can then be accessed openly from within PayPal.

Mr B has explained that there is a search function within PayPal and when he searched to update address details the platform returned only one option.

Mr B used this, and assumed that this would update his details across all accounts through that platform. He says that it was not made clear to him that he needed to separately update his address in PayPal Credit, which appeared to be a subsidiary account.

PayPal has not disputed this, nor provided any evidence to contradict Mr B's explanation.

I therefore accept Mr B's explanation and think it was reasonable for him to assume that updating his address in the main account would update all linked accounts.

This is further supported by the fact that PayPal was able to update Mr B's details in PayPal Credit when he contacted them after the statement had been sent, without Mr B having to contact another business.

Based on this, I uphold Mr B's complaint.

Putting things right

Looking then to putting things right, I have asked Mr B to provide details of the distress and inconvenience he suffered. I explained that if the statement was an ordinary statement, showing some debt and some personal information, but not showing anything out of the ordinary, then I thought that the £100 compensation offered by PayPal was likely appropriate.

As Mr B has not provided any further information or argument, I remain of that view and think that £100 is appropriate, and in line with other awards we would make in similar circumstances. I therefore think that PayPal has made an appropriate offer of resolution.

Mr B has indicated that he wants PayPal to make its website clearer, but as my colleague advised, we are not able to tell businesses how they should display information or operate their systems.

My final decision

For the reasons given above, I uphold Mr B's complaint, but think that PayPal (Europe) Sarl et Cie SCA has made a reasonable offer of resolution. I do not ask PayPal (Europe) Sarl et Cie SCA to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 8 June 2022.

Laura Garvin-Smith
Ombudsman