

## **The complaint**

Mr E is unhappy with how PayPal (Europe) Sarl et Cie SCA handled a claim he made under the buyer protection policy.

## **What happened**

On 27 July 2021 Mr E has explained he purchased an item from an online retailer, for £10.99 – paying by way of his PayPal account. The item was due to be delivered to his home address. However, this wasn't received. So, on 31 July 2021 Mr E made a claim under PayPal's buyer protection policy. He noted the reason for the claim as "item not received."

PayPal responded to Mr E's claim and declined it. It said that the seller had been able to provide information to show the item was delivered. It had been given the tracking number for the scheduled delivery, and using this, the courier's website said the item had been delivered on 31 July 2021. Given this, PayPal didn't provide Mr E with the £10.99 refund he had expected.

Mr E contacted the courier company that had been due to deliver the item. And it agreed there had been a mistake on its part. It noted the driver hadn't been in Mr E's area when the delivery had been marked as successful. The driver had incorrectly noted the item of delivered, leaving it at a different property instead. Mr E asked the courier to therefore change the status of the delivery – to accurately show it hadn't arrived with him.

PayPal has said Mr E contacted it on 10 August 2021 to explain confirm the above information he had from Hermes. And at that point it offered Mr E the offer of a credit voucher, which he declined. Because Mr E was dissatisfied, PayPal reviewed the situation again – and responded to Mr E on 17 August 2021. It noted that despite not having to under PayPal's buyer protection policy, the seller had provided Mr E with a refund for the full cost of his item. So, it was satisfied there wasn't anything further for it to do.

Mr E has explained he feels PayPal didn't act fairly when considering his buyer protection claim. He felt PayPal shouldn't have simply taken the tracking information on the courier's website and assumed this meant the item had been delivered to him. Mr E felt PayPal didn't carry out a sufficient investigation to establish the correct information. And it shouldn't have declined his claim.

PayPal responded to Mr E's concerns. It said it was satisfied it had acted in line with the user agreement between it and Mr E. Including the terms and conditions of the buyer protection policy within this. It noted that Mr E had received a refund from the merchant now, and there was nothing more to do. Mr E remained dissatisfied. So, he referred his complaint to this service, for an independent review.

Our investigator considered this complaint and felt PayPal could have provided a better service to Mr E. She said that PayPal didn't take Mr E's evidence that he didn't receive the item into account, and it should have. So, she recommended that PayPal provide Mr E with an apology – as this was what he wanted to resolve his complaint.

PayPal didn't agree. It maintained its position that it had acted in line with the buyer protection policy contained in the user agreement. It also noted the voucher it had offered Mr E, and the fact that when it looked into the situation post Mr E providing information from the courier, a refund had already been provided by the seller. So, there was nothing else for it to do.

Because PayPal didn't agree, this complaint has been referred to me to decide.

I issued a provisional decision on this complaint. In this I said:

*"I've considered all of the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*Having done so, I don't intend on upholding this complaint. It's clear Mr E feels strongly about the matter – so I appreciate he is likely to be disappointed with this. But I've explained the reasons for my intended outcome below.*

*Mr E feels PayPal acted unfairly in declining the dispute he raised. So, I've thought carefully about this. The starting point being the terms of the user agreement between PayPal and Mr E. This being because it is the contract between the two parties.*

*On looking at the user agreement, I can see that PayPal offers the opportunity to raise a dispute in a number of situations, under its buyer's protection policy. One of these situations is when the item purchased isn't received. Because Mr E noted the item hadn't arrived with him, I'm satisfied it was reasonable for him to raise a claim under the "Item not received" reason.*

*But what I have to consider is whether PayPal dealt with this dispute fairly. And I think it did. On receiving Mr E's claim, PayPal gained the tracking number for the intended delivery, as well as information showing the address the item was to go to. PayPal used this tracking number and saw that the courier's website showed the item as delivered to the address it was supposed to. So, it didn't consider the terms of the user agreement had been met – and so didn't agree to provide a refund to Mr E.*

*I can appreciate why Mr E feels this was unfair. The information on the courier's website wasn't right. The item hadn't been delivered to him but was wrongly provided to someone else. However, I don't think that means PayPal acted unfairly here. It acted upon Mr E's claim, and I think it was reasonable for it to rely on the tracking information it received. The terms and conditions of the user agreement do note the following:*

*"Your claim will not qualify for a refund under PayPal Buyer Protection for an Item Not Received claim, if:*

*(...)*

- The seller has provided proof of delivery.*

*If the seller presents evidence that they delivered the goods to you, PayPal may find in favour of the seller for an Item Not Received claim even if you claim you did not receive the item."*

*Proof of delivery is defined by the user agreement. It is defined as:*

*"Online of physical documentation from a shopping company that includes:*

- An online verifiable tracking number*

- *Date of delivery and ‘delivered’ status*
- *An address for the recipient that matches the shopping address on the “Transaction Details” page*
- *An address for the recipient showing at least the city/state, city/country, or zip/postal code (or international equivalent).”*

*The proof of delivery information provided by the seller included all of the above. And so, I’m satisfied that by accepting this proof of delivery PayPal acted in line with the terms and the user agreement and made a fair and reasonable decision to decline the claim.*

*Following this decline, I’m aware Mr E was able to provide further information, to evidence that the item had been delivered somewhere else. Mr E feels PayPal didn’t consider this. But I’ve seen a copy of the online chat history between Mr R and PayPal, which shows a conversation between Mr E and PayPal on 10 August 2021. And within this, I’m aware PayPal acknowledged Mr E’s points, although it wasn’t able to do anything more, and offered him a voucher for £10.99.*

*When Mr E didn’t accept this, and PayPal considered the matter further, it saw that the seller then provided Mr E with a refund directly. So, it decided that even with the new information Mr E had given, there wasn’t anything else it needed to do. And I agree with that. Mr E had received the funds he was seeking back. And that was the maximum due to him under the buyer’s protection policy.*

*I appreciate Mr E feels PayPal’s process of dealing with this was wrong. But as above, it was in line with the terms and conditions of the agreement. And I’m satisfied it came to a reasonable conclusion based on those, along with the evidence from the seller, in the first instance. As PayPal did what it was expected to do at this point, I don’t think PayPal needed to do anything more here.*

*I’m also satisfied it handled Mr E’s further information fairly. It just didn’t result in a different outcome, given PayPal had acted reasonably in the first place – and the issue had been resolved by that point anyway. With this in mind, I’m not requiring PayPal to anything more in respect of this complaint.*

*I should highlight that this service isn’t here to regulate the industry or ask a business to change its processes. And so, whilst I have taken note and understand Mr E’s frustrations with the process PayPal relied on when he made his claim, I won’t be requiring PayPal to do anything in this regard either.”*

PayPal responded to my provisional decision and didn’t add any further comments. It did however offer Mr E £10 compensation. Mr E also didn’t respond with any comments or evidence following my provisional decision, except to accept the £10 PayPal offered him.

### **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.

Neither party has provided me with additional evidence or comments to alter the provisional decision noted above. So, my decision remains the same in that regard. However, PayPal did make an offer of £10 to Mr E following my provisional decision. And Mr E has accepted this.

Given the findings I made in my provisional decision, and that PayPal has now gone over and above this by offering the £10 to Mr E, I'm satisfied this offer is fair.

### **My final decision**

Given the above, my final decision is that the offer of £10 provided by PayPal (Europe) Sarl et Cie SCA is fair. If it hasn't paid this to Mr E already, it should do so now. I don't require it do anything more than this.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 19 July 2022.

Rachel Woods  
**Ombudsman**