

The complaint

Mr C complains that PayPal (Europe) Sarl et Cie SCA declined his item not received claim under their buyer protection policy.

What happened

Mr C made a purchase online through a third party website, and he says his purchase was covered by PayPal's buyer protection as although the third party courier said his item was delivered, he did not receive it. Mr C says the courier left the parcel in an unsecured location, which is different to how another postal service would have left his parcel. He says he has spoken to numerous parties involved, including the seller, the courier, the third party site he bought from, and PayPal, but PayPal customer services only offered him £37 compensation which they increased to a £50 voucher. Mr C made a complaint to PayPal.

PayPal did not uphold Mr C's complaint. They said the courier provided them a valid proof of delivery to the address provided by Mr C during checkout. They said they can't ask the courier to change their policies regarding their delivered packages. Mr C brought his complaint to our service.

Our investigator did not uphold Mr C's complaint. She said that PayPal requested evidence from the seller of where his parcel was delivered, and although it wasn't left in a secure location, it was delivered to his postal address and the tracking evidence supports this. She said PayPal's buyer protection policy says that if the sender can provide delivery to the correct address, there isn't a successful claim to be made.

After our investigator issued her view of the complaint, PayPal offered to proactively settle the complaint for £200, but Mr C rejected this as he said the item (including delivery) was for £186, so they were only paying him £14 for distress and inconvenience. He asked for an ombudsman to review his complaint. He said PayPal's protection does not take into account any difference between secure and insecure deliveries. He said PayPal's buyer protection has been negated by their approach to secure/insecure deliveries.

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 must make it clear to Mr C that I can only look at PayPal's actions as part of this complaint, and I can't make a ruling against any other party involved in this complaint, such as a courier, as the courier is not a business covered under our jurisdiction. But Mr C may want to look into their complaints process, if they have one.

It is not the role of this service to tell PayPal what wording their PayPal buyer protection should contain, or to insist that they differentiate between secure and unsecured wording regarding successful deliveries, as this is a commercial decision for PayPal to make.

What I have done though, is considered the wording of the PayPal buyer protection to see if

PayPal had acted in line with the protection in this case. And I'm satisfied that they have acted in line with the agreement, and I'll explain why.

As Mr C says he didn't receive the parcel, this would be covered under the *"Item Not Received claims"* part of the buyer protection agreement. This states *"Your claim will not qualify for a refund under PayPal Buyer Protection for an Item Not Received claim"*, and one of the reasons is *"The seller has provided proof of delivery"*. There is a link to click on the proof of delivery wording and this sets out the criteria for the proof of delivery, which I have listed below:

"Online or physical documentation from a shipping company that includes:

- *An online and verifiable tracking number*
- *Date of delivery and 'delivered' status*
- *An address for the recipient that matches the shipping 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)".*

I have looked at the information provided to PayPal from the courier. This contains the tracking number, the date of the delivery, a delivered status and the address for the recipient (Mr C) which matches the address and contains the city and post code. So I'm satisfied that this would not meet the criteria for a valid item not received claim.

The buyer protection wording on the user agreement also says that *"If the seller presents evidence that they delivered the goods to you, PayPal may find in the favour of the seller for an Item Not Received claim even if you claim you did not receive the goods"*. This is what happened here. Mr C claims he did not receive the goods, but as the seller presented evidence that the goods were delivered to his address, then PayPal did not find in Mr C's favour.

While I can't say that PayPal were wrong to decline Mr C's claim based on their buyer protection policy, they have agreed to pay Mr C £200 to proactively settle Mr C's complaint. So although I'm not persuaded PayPal have done anything wrong in rejecting his claim, I'm satisfied it would be fair for them to pay Mr C the goodwill gesture they offered him.

Putting things right

PayPal have offered to pay Mr C £200 to proactively settle his complaint as a gesture of goodwill, so I think it would be fair for them to pay him this compensation here.

My final decision

PayPal (Europe) Sarl et Cie SCA have offered to pay Mr C £200 as a goodwill gesture to proactively settle this complaint.

So my final decision is that PayPal (Europe) Sarl et Cie SCA should pay Mr C £200. But I don't require them to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 6 November 2023.

Gregory Sloanes
Ombudsman