

The complaint

Miss C complains that PayPal (Europe) Sarl et Cie SCA refunded a buyer under its buyer protection policy, despite her providing proof of delivery.

What happened

In mid-2022, Miss C received a payment of around £600 into her PayPal account after selling an item via a social media platform.

Shortly afterwards, the person who sent the payment raised a dispute under PayPal's buyer protection policy, claiming that the item had not been received.

Miss C provided tracking information to show the item had successfully been delivered to the address she'd been given by the purchaser. However, PayPal closed the claim in favour of the buyer and refunded the payment to them.

Miss C complained to PayPal, but the matter wasn't resolved. So, she asked our service to consider her concerns.

Our investigator thought Miss C's complaint should be upheld. He recommended it refund her the amount that was sent back to the buyer (less any applicable fee).

PayPal didn't agree with our investigator's outcome. 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 decided to uphold Miss C's complaint. I'll explain why.

PayPal says Miss C wasn't eligible for seller protection. However, I don't think it's adequately explained why the buyer protection dispute was closed in the buyer's favour.

PayPal's buyer protection policy says:

"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"*

"Proof of delivery" is defined as: "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).”*

PayPal says there was no address on the transaction details page. So, Miss C doesn't appear to have had the option of sending it there.

Miss C has provided screenshots of messages regarding the sale of the item. The purchaser appears to have arranged for the payment to be made from someone else's PayPal account. However, I haven't seen any evidence to suggest that the PayPal account holder wasn't aware of the transaction or didn't agree to it.

Miss C has also provided tracking information showing that the item was successfully delivered to the shipping address given by the purchaser. I can also see that Miss C shared tracking details with PayPal at the time of the dispute.

Given the above, I'm not persuaded that PayPal acted fairly when it closed the claim in the buyer's favour and refunded the payment. So, I think PayPal should reimburse Miss C for the amount she lost out on as a result.

Putting things right

PayPal should pay Miss C the amount it refunded to the buyer's account (less any applicable fee).

My final decision

For the reasons I've explained, I uphold Miss C'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 C to accept or reject my decision before 12 January 2023.

Anne Muscroft
Ombudsman